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LEGISLATIVE HISTORY

Public Law 370--79th Congress

Chapter 243--2d Session

S. 1610

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## DIGEST OF PUBLIC LAW 370

PHILIPPINE REHABILITATION ACT, 1946. Provides for payment for war damages to standing timber, growing crops, and orchard disposal of U. S. surplus property in the Philippines to aid in repairing and replacing buildings, etc.; restoring and providing public schools, hospitals, and essential health and welfare services, and rehabilitating Philippine economy and encouraging private enterprise; and authorizes appropriations for these purposes.



## INDEX AND SUMMARY OF HISTORY ON S. 1610

October 18, 1945	S. 1488 introduced by Senator Tydings and was referred to the Committee on Territories and Insular Affairs. Print of the bill as introduced. (Companion bill).
October 22, 1945	Hearings: Senate, S. 1488.
November 19, 1945	S. 1610 introduced by Senator Tydings and was referred to the Committee on Territories and Insular Affairs. Print of the bill as introduced.
November 20, 1945	Senate Committee reported S. 1610 without amendment. Senate Report 755. Print of the bill as reported.
November 23, 1945	S. 1610 discussed in the Senate and passed over.
November 27, 1945	S. 1610 debated in Senate.
December 5, 1945	Debate concluded. Passed Senate with amendments.
December 10, 1945	S. 1610 referred to the House Committee on Insular Affairs. Print of the bill as referred.
February 26, 1946	Hearings: House, S. 1610, Pt. 1 and 2.
April 9, 1946	House Committee reported S. 1610 with amendments. House Report 1921. Print of the bill as reported.
April 10, 1946	S. 1610 debated in House and passed with amendments.
April 15, 1946	Senate Conferees appointed.
April 16, 1946	House Conferees appointed.
April 17, 1946	House received Conference Report. House Report 1957.
April 18, 1946	House agreed to Conference Report.
April 19, 1946	Senate agreed to Conference Report.
April 30, 1946	Approved. Public Law 370.







79TH CONGRESS  
1ST SESSION

# S. 1488

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 18, 1945

Mr. TYDINGS introduced the following bill; which was read twice and referred to the Committee on Territories and Insular Affairs

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## A BILL

To provide for the rehabilitation of the Philippine Islands, and  
for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Philippine Rehabilitation  
4       Act of 1945".

### 5       TITLE I—COMPENSATION FOR WAR DAMAGE

6       SEC. 101. (a) There is hereby established a Philippine  
7       War Damage Commission (in this title referred to as the  
8       "Commission"). The Commission shall consist of a repre-  
9       sentative of the Department of State, who shall act as Chair-  
10      man, to be designated by the Secretary of State; a repre-  
11      sentative of the Department of War, to be designated by



1 the Secretary of War; a representative of the Department  
2 of the Navy, to be designated by the Secretary of the Navy;  
3 a representative of the Surplus Property Administrator, to  
4 be designated by such Administrator; a representative of  
5 the War Damage Corporation, to be designated by board of  
6 directors of such Corporation; a representative of the United  
7 States High Commissioner to the Philippine Islands, to be  
8 designated by such Commissioner; and a representative of  
9 the Commonwealth of the Philippines, to be designated by  
10 the President of such Commonwealth. Vacancies in the  
11 membership of the Commission shall not impair the authority  
12 of the remaining members of the Commission to exercise all  
13 of its functions, so long as the Commission has as many as  
14 five members. Vacancies occurring in the membership of  
15 the Commission shall be filled in the same manner as in the  
16 case of the original selection. Members of the Commission  
17 holding other offices or positions under the United States  
18 shall not receive compensation for their services as such mem-  
19 bers, but shall continue to receive their compensation for  
20 such other offices or positions. The member of the Commis-  
21 sion designated to represent the Commonwealth of the  
22 Philippines shall not receive any compensation from the  
23 Commission. All members of the Commission shall receive  
24 their necessary traveling and other expenses incurred in con-  
25 nection with their duties as such members, or a per diem



1 allowance in lieu thereof. Individuals who are members of  
2 the Commission established under this title may also be desig-  
3 nated as members of the Commission for the Disposal of  
4 Surplus Property in the Philippines, established under title  
5 III.

6 (b) The Commission may, without regard to the civil-  
7 service laws or the Classification Act of 1923, as amended,  
8 appoint and fix the compensation of such officers and em-  
9 ployees, and may make such expenditures, as may be neces-  
10 sary to carry out its functions. Officers and employees of  
11 any other department or agency of the Government may,  
12 with the consent of the head of such department or agency,  
13 be assigned to assist the Commission in carrying out its  
14 functions. The Commission may, with the consent of the  
15 head of any other department or agency of the Government,  
16 utilize the facilities and services of such department or agency  
17 in carrying out the functions of the Commission.

18 (c) The Commission may prescribe such rules and  
19 regulations as are necessary for carrying out its functions,  
20 and may delegate functions to any member, officer, or em-  
21 ployee of the Commission or of any other department or  
22 agency of the United States or of the Commonwealth of the  
23 Philippines.

24 (d) The Commission shall, so far as practicable, give  
25 consideration to, but need not await, or be bound by, the

1 recommendations of the Filipino Rehabilitation Commission  
2 (created by the Act approved June 29, 1944) with respect  
3 to Philippine war damage. The Commission shall wind up  
4 its affairs not later than two years after the expiration of  
5 the time for filing claims under this title.

6       SEC. 102. The Commission is hereby authorized to make  
7 compensation to the extent hereinafter provided on account  
8 of physical loss of or damage to property in the Philippine  
9 Islands occurring after December 7, 1941 (Philippine time),  
10 and before October 1, 1945, as a result of one or more of the  
11 following perils: (1) Enemy attack (including action taken  
12 by the military, naval, or air forces of the United States in  
13 resisting enemy attack); (2) action taken by enemy repre-  
14 sentatives, civil or military, or by the representatives of any  
15 government cooperating with the enemy; (3) action by the  
16 armed forces of the United States or other forces cooperating  
17 with the armed forces of the United States in expelling the  
18 enemy from the Philippine Islands; (4) looting, pillage, or  
19 other lawlessness or disorder accompanying the collapse of  
20 civil authority or incidental to control by enemy forces:  
21 *Provided*, That such compensation shall be payable only to  
22 natural persons having, on December 7, 1941 (Philippine  
23 time), and continuously to and including the time of loss or  
24 damage, an insurable interest as owner, mortgagee, lien-  
25 holder, or pledgee in such property so lost or damaged, (a)

1 who on December 6, 1941, and continuously to the time of  
2 filing claim pursuant to this title were citizens of the United  
3 States or of the Philippine Commonwealth or of the Philippine  
4 Republic, or (b) who, at any time subsequent to September  
5 16, 1940, and prior to August 14, 1945, served honorably in  
6 the armed forces of the United States or of the Philippine  
7 Commonwealth, or honorably performed "service in the mer-  
8 chant marine" (as defined in the first section of the Act  
9 entitled "An Act to provide reemployment rights for persons  
10 who leave their positions to serve in the merchant marine, and  
11 for other purposes", approved June 23, 1943: *Provided*  
12 *further*, That no payment or payments to any individual  
13 claimant or to all members of a family (regardless of degree  
14 of relationship) living in the same household at the time of  
15 loss shall be made in an aggregate amount which exceeds  
16 whichever of the following amounts, after the deduction  
17 specified in section 104 of this Act, as determined by the  
18 Commission, is least: (a) five hundred dollars (or one  
19 thousand Philippine pesos) ; (b) 50 per centum of the actual  
20 cash value, at the time of loss, of property lost or destroyed  
21 and 50 per centum of the actual damage to other property of  
22 the claimant which was damaged as a direct result of the  
23 causes enumerated in this section; (c) 50 per centum of the  
24 cost of repairing, or rebuilding such lost or damaged property,  
25 or replacing the same with other property of like or similar

1 quality: *Provided further*, That, in the discretion of the Com-  
2 mission, such payment may be made to the executor or ad-  
3 ministrator of a deceased person who, if surviving, would be  
4 eligible hereunder, or such payment may be made to the sur-  
5 viving spouse, child or children, parent or parents, or depend-  
6 ent relatives of such a deceased person, without requiring let-  
7 ters of administration or other legal proceedings, if such sur-  
8 vivors are eligible under subdivision (a) or (b) of the first  
9 proviso of this section.

10 SEC. 103. The Commission shall make no payment  
11 under the provisions of this title—

12 (a) to any person who, by a civil or military court  
13 having jurisdiction, has been found guilty of collaborat-  
14 ing with the enemy, or of any act involving disloyalty  
15 to the United States or the Philippine Commonwealth;

16 (b) to any person who has voluntarily taken an  
17 oath of allegiance to, or who has occupied any office or  
18 exercised any authority under, any government which  
19 collaborated with or was sponsored by the enemy;

20 (c) to compensate for any loss of or damage to  
21 property which, at the time of loss or damage, was in-  
22 sured against any one or more of the perils specified  
23 in section 102 hereof, except to the extent that the  
24 loss or damage exceeds the amount of such insurance,  
25 whether or not collectible;



(d) to compensate for any loss or damage for which the War Department or the Navy Department is authorized to make payment, or for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid, by the Philippine Government or by the United States Government or by their respective departments, establishments, or agencies;

(e) unless the claimant shall file with the Commission, within six months after the enactment hereof, a claim in reasonable conformity with the requirements of this title and such reasonable regulations as shall be established by the Commission.

SEC. 104. Each claimant under the provisions of this title shall state the amount of any war damage or loss referred to in section 102 of this title which he or his predecessor in interest has been allowed or has claimed as a credit against income or profits in connection with any tax payable to the United States Government or to the Philippine Commonwealth, or to the Philippine Republic, and the amount of any war damage or loss referred to in said section which he or his predecessor in interest has been allowed or has claimed as a credit or set-off against any tax payable to the United States Government or to the Philippine Government, or to the Philippine Republic. An amount equal to the sum by which the aggregate taxes otherwise due from any such

1 claimant have been lessened or reduced by reason of any such  
2 war damage or loss shall be deducted from the amount  
3 otherwise payable under the terms of this title.

4 SEC. 105. No claim shall be paid unless approved by  
5 the Commission or its authorized representatives, and on  
6 account of each claim so approved the Commission may make  
7 immediate payment of whichever of the following is the  
8 lesser: (a). fifty dollars or one hundred Philippine pesos, or  
9 (b) the excess of 50 per centum of the amount of loss or  
10 damage, as determined by the Commission over the deduc-  
11 tion required by section 104 hereof. After the time for filing  
12 claims has expired, the Commission shall determine the  
13 amount of money available for the further payment of  
14 claims. Such funds shall be applied pro rata toward the  
15 payment of the unpaid balances of the amounts authorized  
16 to be paid pursuant to section 102 of this title.

17 SEC. 106. Not later than six months after its organiza-  
18 tion, and every six months thereafter, the Commission shall  
19 make a report to the Congress concerning operations under  
20 this title.

21 SEC. 107. There is hereby authorized to be appropriated,  
22 out of any money in the Treasury not otherwise appropriated,  
23 (a) the amount of \$100,000,000 for the purposes of paying  
24 compensation to the extent authorized by this title, and

(b) such sum, not to exceed \$1,500,000, as may be necessary to pay the expenses of the Commission.

SEC. 108. Whoever makes any statement or representation knowing it to be false, or whoever willfully overvalues loss of or damage to property for the purpose of obtaining for himself or for any claimant any compensation pursuant to this title, or for the purpose of influencing in any way the action of the Commission with respect to any claim for compensation pursuant to this title, or for the purpose of obtaining money, property, or anything of value under this title, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both. This title shall apply to and in the Philippine Islands.

SEC. 109. No remuneration on account of services rendered or to be rendered to or on behalf of any claimant in connection with any claim for compensation pursuant to this title shall exceed 5 per centum of the compensation paid by the Commission on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever receives on account of services rendered or to be rendered in connection with any claims for compensation hereunder, any remuneration in excess of the maximum permitted by this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000.



1        SEC. 110. Except as lawfully provided in policies of in-  
2        surance heretofore or hereafter issued by the War Damage  
3        Corporation pursuant to subsection (a) of section 5g of the  
4        Reconstruction Finance Corporation Act, as amended, the  
5        authority herein granted to the Philippine War Damage Com-  
6        mission shall be in lieu of and shall supersede all authority  
7        previously conferred on the War Damage Corporation to fur-  
8        nish protection or pay compensation with respect to property  
9        situated, at the time of loss or damage, in the Philippine  
10       Islands, and the protection authorized to be extended and  
11       the compensation authorized to be paid by the Philippine  
12       War Damage Commission shall be in lieu of all protection  
13       heretofore extended or authorized to be extended by the War  
14       Damage Corporation with respect to property situated, at the  
15       time of loss or damage, in the Philippine Islands, except to  
16       the extent provided in policies of insurance heretofore or  
17       hereafter issued by the War Damage Corporation. The War  
18       Damage Corporation is hereby prohibited from providing  
19       for or paying compensation for war damage in the Philippine  
20       Islands except to the extent provided in its policies of insur-  
21       ance heretofore or hereafter issued in consideration of a pre-  
22       mium paid therefor.

23       SEC. 111. The classes of property enumerated in this  
24       section, whether situated in the Philippine Islands or else-  
25       where, are hereby excluded from protection, compensation,



1 or consideration under this title, and except as provided in  
2 policies of insurance heretofore or hereafter issued by the  
3 War Damage Corporation, said Corporation shall not, after  
4 enactment of this title, make any payment directly or indi-  
5 rectly on account of loss of or damage to the following classes  
6 of property:

7 (1) Accounts, bills, records, films, plans, drawings,  
8 formulas, currency, deeds, evidences of debt, securities,  
9 money, bullion, furs, jewelry, stamps, precious and semi-  
10 precious stones, works of art, antiques, stamp and coin col-  
11 lections, manuscripts, books and printed publications more  
12 than fifty years old, models, curiosities, objects of historical  
13 or scientific interest, and pleasure aircraft;

14 (2) Vessels and watercraft, their cargoes and equip-  
15 ment, other than (a) vessels used or intended to be used  
16 exclusively for storage, housing, manufacturing, or generat-  
17 ing power; (b) vessels while under construction until de-  
18 livery by the builder, or sailing on delivery or trial trip,  
19 whichever shall first occur;

20 (3) Real property (other than standing timber, grow-  
21 ing crops, and orchards) not a part of a building or structure;

22 (4) Intangible property;

23 (5) Property diverted to the Philippine Islands, by  
24 authority of the United States Government or otherwise, as  
25 a result of war conditions; and

1       (6) Property in transit (a) which at the time of loss  
2 or damage was insured against war perils, or (b) with  
3 respect to which insurance against such perils was available,  
4 at the time of loss or damage either at reasonable com-  
5 mercial rates or from the United States Maritime Commission.

6       SEC. 112. All departments, commissions, offices, agen-  
7 cies, and instrumentalities of the United States Government,  
8 upon the written request of the Commission, are authorized  
9 to make delivery and conveyance to designated claimants,  
10 or to the Commission, of any surplus property of the United  
11 States in the Philippine Islands deemed by the Commission  
12 to be similar to that for which compensation is requested,  
13 or to be suitable for the rebuilding or reconstruction of the  
14 property damaged or destroyed. The transfer of such prop-  
15 erty to such claimants shall be at the fair value of the  
16 property as fixed by the disposal agency (as defined by  
17 the Surplus Property Act of 1944, as amended) under regu-  
18 lations prescribed pursuant to such Act. The Commission  
19 shall pay such fair value to the disposal agency.

20       SEC. 113. The War Damage Corporation is authorized  
21 and directed to consult with, and in every manner possible to  
22 assist and cooperate with, the Commission, to aid the Com-  
23 mission in its performance of duties hereunder, and to make  
24 available to or deliver to the Commission all records, claims,  
25 files, and other documents in its possession pertaining to

1 Philippine claims. The Commission is authorized to give  
2 such weight as it may deem proper to any reports, certifi-  
3 cates, or recommendations of the War Damage Corpora-  
4 tion, or its adjusters or claims service offices.

5 SEC. 114. All findings of the Commission concerning  
6 the amount of loss or damage sustained, the cause of such  
7 loss or damage, the persons to whom compensation pursuant  
8 to this title is payable, and the value of the property lost  
9 or damaged, shall be conclusive and shall not be reviewable  
10 by any court.

## 11 TITLE II—TRADE RELATIONS

12 SEC. 201. Section 6 of the Act of March 24, 1934,  
13 entitled "An Act to provide for the complete independence  
14 of the Philippine Islands, to provide for the adoption of a  
15 constitution and a form of government for the Philippine  
16 Islands, and for other purposes" (48 Stat. 456), as amended  
17 by the Act of August 7, 1939 (53 Stat. 1226; U. S. C., title  
18 48, sec. 1236), is hereby amended to read as follows:

19 "SEC. 6. Until ————— 1945, when the independ-  
20 ence of the Philippines shall be recognized and proclaimed  
21 by the President of the United States, trade relations be-  
22 tween the United States and the Philippine Islands shall be  
23 as now provided by law subject to the following exceptions:

24 "(a) A duty equal to 5 per centum of the United States  
25 duty shall be levied, collected, and paid in the United States

1 on Philippine articles entered, or withdrawn from warehouse,  
2 for consumption, except as otherwise hereinafter specifically  
3 provided; and a duty equal to 5 per centum of the Philippine  
4 duty shall be levied, collected, and paid in the Philippine  
5 Islands on American articles entered, or withdrawn from  
6 warehouse, for consumption.

7 “(b) (1) No duty shall be imposed under subsection  
8 (a) of this section on the following Philippine articles:

9 “a. cigars (exclusive of cigarettes, cheroots of all  
10 kinds, and paper cigars and cigarettes, including  
11 wrappers) ;

12 “b. scrap tobacco, and stemmed and unstemmed  
13 filler tobacco described in paragraph 602 of the Tariff  
14 Act of 1930;

15 “c. coconut oil;

16 “d. buttons of pearl or shell.

17 *Provided, however, That nothing in this section*  
18 *or any subsection thereof shall be construed to exempt*  
19 *coconut oil from exise taxes provided for in section*  
20 *2470 of the Internal Revenue Code, as amended.”*

21 SEC. 202. Section 13 of the said Act of March 24, 1934,  
22 is hereby amended to read as follows:

23 “SEC. 13. (a) Notwithstanding any provision of law  
24 in force on ———, 1945, the importation into the United  
25 States, on and after that date, of any articles the growth,



1 produce, or manufacture of the Philippines shall be subject  
2 to the customs laws of the United States in the same manner  
3 as articles the growth, produce, or manufacture of other  
4 foreign countries generally: *Provided, however,* That dur-  
5 ing the period in which the executive agreement provided  
6 in subsection (b) of this section is in full force and effect,  
7 any Philippine article shall be entitled to such preferential  
8 customs treatment as may be provided for in the said  
9 agreement.

10 “(b) The President of the United States is hereby  
11 authorized to enter into an executive agreement with the  
12 President of the Philippines, to be effective from ————,  
13 1945, through December 31, 1967, subject to prior termi-  
14 nation as hereinafter specified, providing for preferential  
15 treatment to be accorded by the United States to imports  
16 of Philippine articles and to be accorded by the Philippines  
17 to imports of American articles: *Provided, however,* That  
18 no such agreement shall be effective unless the President  
19 of the Independent Philippine Government shall have  
20 adopted and proclaimed it on, or within one month after,  
21 ————, 1945. In addition to the inclusion of such  
22 other provisions as the President of the United States and  
23 the President of the Philippines may consider to be appro-  
24 priate to safeguard to each party the advantages granted  
25 under the agreement, and such provisions as the said Presi-

1 dents may consider to be reasonable and necessary to assist  
2 in the administration thereof, the agreement shall provide  
3 for its termination by either party at any time, upon not  
4 more than six months' prior notice, in the event of the  
5 adoption or application by the other party of measures or  
6 practices which would operate to nullify or impair any  
7 advantage provided therein. The said agreement shall also  
8 contain provisions to the following effects:

9       “(1) During the period commencing with ————,  
10 1945, and ending with December 31, 1949, an exclusively  
11 preferential duty equal to 5 per centum of the United States  
12 duty shall be levied, collected, and paid in the United  
13 States on Philippine articles entered, or withdrawn from  
14 warehouse, for consumption, except as otherwise herein-  
15 after specifically provided. During the same period, an  
16 exclusively preferential duty equal to 5 per centum of the  
17 Philippine duty shall be levied and paid in the Philippine  
18 Islands on American articles entered, or withdrawn from  
19 warehouse, for consumption. On each succeeding January  
20 1 thereafter these preferential rates of duty shall be progres-  
21 sively increased by an additional 5 per centum of the United  
22 States import duty and of the Philippine import duty,  
23 respectively. No third country, including Cuba, shall be  
24 entitled to any benefits arising under this agreement.

25       “(2) Notwithstanding subdivision (1) of this subsec-

tion, no United States duty shall be levied, collected, or paid upon any of the Philippine articles enumerated below in this subdivision, entered or withdrawn from warehouse during the period commencing ———, 1945, and ending December 31, 1945, regardless of quantity, or entered or withdrawn from warehouse during the period commencing January 1, 1946, and ending December 31, 1949, on quantities not in excess of the annual quotas specified below:

“a. cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes, including wrappers), one hundred and ninety million cigars;

“b. scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph 602 of the Tariff Act of 1930, four million two hundred and seventy-five thousand pounds;

“c. coconut oil, one hundred and ninety thousand long tons;

“d. buttons of pearl or shell, eight hundred and seven thousand five hundred gross.

“For each calendar year commencing with 1950 and ending with 1967, duty-free quotas on each of the foregoing articles shall be the same as the corresponding quota for the immediately preceding calendar year reduced by the quantities shown below:



1           “e. cigars (exclusive of cigarettes, cheroots of all  
2       kinds, and paper cigars and cigarettes, including wrap-  
3       pers), ten million cigars;

4           “f. scrap tobacco, and stemmed and unstemmed  
5       filler tobacco described in paragraph 602 of the Tariff  
6       Act of 1930, two hundred and twenty-five thousand  
7       pounds;

8           “g. coconut oil, ten thousand long tons;

9           “h. buttons of pearl or shell, forty-two thousand and  
10       five hundred gross.

11       “Each of the foregoing articles entered, or withdrawn  
12       from warehouse, in excess of its quota shall be subject to the  
13       full United States duty.

14       “(3) a. Commencing with the calendar year 1946, the  
15       United States duty shall be levied, collected, and paid, in the  
16       United States, upon all Philippine sugars entered, or with-  
17       drawn from warehouse, for consumption in any calendar year  
18       in excess of eight hundred and fifty thousand long tons, of  
19       which not more than fifty thousand long tons may be refined  
20       sugars.

21       “b. The quotas referred to in (a) of this subdivision  
22       for unrefined sugars shall be allocated annually to the sugar-  
23       producing mills in the Philippine Islands whose products  
24       were exported to the United States during the calendar year  
25       1940 proportionately on the basis of the average annual



1 production of such mills during the calendar years 1931,  
2 1932, and 1933; and the amount of sugar from each mill  
3 which may be so exported shall be allocated in each year  
4 between the mill and the planters on the basis of the pro-  
5 portion of sugar to which the mill and the planters are re-  
6 spectively entitled.

7 “c. The quotas for refined sugars established by (a)  
8 of this subdivision shall be allocated annually to the manu-  
9 facturers in the Philippine Islands whose products were  
10 exported to the United States during the calendar year 1940,  
11 proportionately on the basis of their exports to the United  
12 States in that year.

13 “(4) The quotas for all articles for which quotas are  
14 established pursuant to this agreement, except sugars, shall  
15 in each instance be allocated by authorities of the Philippine  
16 Government among the manufacturers whose products were  
17 shipped to the United States during the calendar year 1940,  
18 on the basis of the proportion which each manufacturer's  
19 maximum production shipped to the United States directly  
20 or through other persons, in any calendar year during the  
21 five-year period, 1933 through 1937, bears to the total of  
22 such maximum shipments of all such manufacturers.

23 “(5) The holder of any allotment under any of the  
24 quotas established pursuant to this agreement, or his succes-  
25 sors, representatives, or assignees, may sell or otherwise

1 transfer his or its allotment, or any part thereof, or all or  
2 any part of his or its rights to any future allotments, subject  
3 to such laws and rules and regulations as may be enacted  
4 and prescribed by the Philippine Government: *Provided,*  
5 *however,* That in the case of sugars, such laws and rules and  
6 regulations as may be enacted and prescribed by the Philip-  
7 pine Government shall be in conformity with the provisions  
8 contained in a, b, and c of subdivision (3) above.

9 “(6) If, after the first nine months of any quota year,  
10 the holder of any allotment under any of the quotas estab-  
11 lished by this agreement is or will be unable for any reason  
12 to ship to the United States by the end of the quota period  
13 the total amount of his allocation for that period, the Philip-  
14 pine Government shall apportion the amount of such allo-  
15 cation which it is established by sufficient evidence that he  
16 cannot ship to the United States during the remainder of  
17 the quota year in such manner and in accordance with such  
18 rules and regulations as the Philippine Government may  
19 prescribe.

20 “(7) No United States tax on the processing of coco-  
21 nut oil, irrespective of whether it is of foreign origin or is  
22 produced in the United States from materials which are of  
23 foreign origin, shall be imposed in the period commencing  
24 with———, 1945, and ending with December 31, 1967,  
25 at a rate higher than that applicable to the processing of

1 palm kernel oil or to the taxable processing of palm oil,  
2 which ever rate shall be the lower.

3 “(8) Where any article the growth, produce, or manu-  
4 facture of the Philippines, imported into the United States  
5 from the Philippines, upon which any United States duty  
6 has been levied, collected, and paid, is used in the manufac-  
7 ture or production of articles in the United States, on the  
8 exportation of said articles to the Philippines within three  
9 years after the importation of such merchandise in the United  
10 States, the full amount of the duty paid upon the merchandise,  
11 so used, less 1 per centum of such duty, shall be refunded as  
12 draw-back under such rules and regulations as the Secretary  
13 of the Treasury of the United States may prescribe. Where  
14 any article the growth, produce, or manufacture of the United  
15 States, imported into the Philippines from the United States,  
16 upon which any Philippine import duty has been levied,  
17 collected, and paid, is used in the manufacture or produc-  
18 tion of articles in the Philippines, on the exportation of said  
19 articles to the United States within three years after the  
20 arrival of such merchandise in the Philippines, the full  
21 amount of the duty paid upon the merchandise, so used, less  
22 1 per centum of such duty, shall be refunded as draw-back  
23 under such rules and regulations as the Secretary of Finance  
24 of the Philippines may prescribe.

25 “(9) The said agreement shall continue in effect through



1 December 31, 1967, subject to the right of either party to  
2 terminate the agreement, at any time on or after January  
3 1, 1957, upon giving two years' prior notice, and subject  
4 to such provisions as may be included in the agreement  
5 pursuant to subsection (b) of this section."

6 SEC. 203. The said Act of March 24, 1934, as amended  
7 by the Act of August 7, 1939 (53 Stat. 1226), is further  
8 amended by the deletion of subdivision (2) of section 18;  
9 and subdivision (4) of section 18 is hereby amended to read  
10 as follows:

11 " (4) The term 'United States duty' means the lowest  
12 rate of ordinary customs duty applicable at the port of ar-  
13 rival, at the time of entry, or withdrawal from warehouse,  
14 for consumption of the article concerned, to like articles  
15 imported from any foreign country, except Cuba, or when  
16 more than one rate of ordinary customs duty is applicable  
17 to such like articles, the aggregate of such rates."

18 SEC. 204. The Act approved December 22, 1941 (ch.  
19 617, 55 Stat. 852), is hereby repealed.

20 SEC. 205. Section 201 of this title shall become effective  
21 thirty days after the date of enactment; all other provisions  
22 of this title shall become effective on the date of enactment  
23 of this Act.

24 TITLE III—DISPOSAL OF SURPLUS PROPERTY

25 SEC. 301. The objectives of this title are to provide

1 for the use and disposition of surplus property of the United  
2 States in the Philippine Islands in the manner which will  
3 best serve to aid in—

4           (1) repairing and replacing buildings, equipment,  
5 and other property of the Commonwealth of the Philip-  
6 pines and other governmental units in the Philippines,  
7 in cases where such buildings, equipment, or other  
8 property have been damaged, lost, or destroyed in the  
9 war, and otherwise restoring and facilitating the normal  
10 operations of governmental units in the Philippines;

11           (2) restoring and providing essential public build-  
12 ings, services, works, and utilities, including hospitals,  
13 schools, and other institutions furnishing essential health  
14 and welfare services, in the Philippines; and

15           (3) rehabilitating the economy of the Philippines  
16 and aiding and encouraging private enterprise in such  
17 economy.

18 SEC. 302. (a) There is hereby established a Com-  
19 mission for the Disposal of Surplus Property in the Philippines  
20 (in this title referred to as the “Commission”). The Com-  
21 mission shall consist of a representative of the Department of  
22 State, who shall act as Chairman, to be designated by the  
23 Secretary of State; a representative of the Department of  
24 War, to be designated by the Secretary of War; a representa-  
25 tive of the Department of the Navy, to be designated by the

1 Secretary of the Navy; a representative of the Surplus  
2 Property Administrator, to be designated by such Adminis-  
3 trator; a representative of the United States High Commis-  
4 sioner to the Philippine Islands, to be designated by such  
5 Commissioner; a representative of the Commonwealth of the  
6 Philippines, to be designated by the President of such Com-  
7 monwealth; and two members to be appointed by the Presi-  
8 dent of the United States, one of whom shall be representative  
9 of the interests of Filipino businessmen and the other of whom  
10 shall be representative of the interests of citizens of the United  
11 States having business interests in the Philippine Islands.  
12 Vacancies in the membership of the Commission shall not im-  
13 pair the authority of the remaining members of the Commis-  
14 sion to exercise all of its functions, so long as the Commission  
15 has as many as five members. Vacancies occurring in the  
16 membership of the Commission shall be filled in the same  
17 manner as in the case of the original selection. Members of  
18 the Commission holding other offices or positions under the  
19 United States shall not receive compensation for their services  
20 as such members, but shall continue to receive their compen-  
21 sation for such other offices or positions. The members of the  
22 Commission appointed by the President of the United States  
23 shall receive a per diem compensation of \$50 for each day  
24 spent in performing their duties as such members. The mem-  
25 ber of the Commission designated to represent the Common-



1 wealth of the Philippines shall not receive any compensation  
2 from the Commission. All members of the Commission shall  
3 receive their necessary traveling and other expenses incurred  
4 in connection with their duties as such members, or a per  
5 diem allowance in lieu thereof.

6 (b) The Commission may, without regard to the civil-  
7 service laws or the Classification Act of 1923, as amended,  
8 appoint and fix the compensation of such officers and em-  
9 ployees, and may make such expenditures, as may be neces-  
10 sary to carry out its functions. Officers and employees of any  
11 other department or agency of the Government may, with  
12 the consent of the head of such department or agency, be  
13 assigned to assist the Commission in carrying out its func-  
14 tions. The Commission may, with the consent of the head  
15 of any other department or agency of the Government,  
16 utilize the facilities and services of such department or agency  
17 in carrying out the functions of the Commission.

18 (c) The Commission may prescribe such rules and regu-  
19 lations as are necessary for carrying out its functions, and  
20 may delegate functions to any member, officer, or employee  
21 of the Commission or of any other department or agency of  
22 the United States or of the Commonwealth of the Philippines.

23 SEC. 303. Notwithstanding any other provision of law,  
24 and property located in the Philippine Islands which has  
25 been declared surplus under the provisions of the Surplus

1 Property Act of 1944 may be transferred by the disposal  
2 agency having such property in its control to the Commis-  
3 sion, without reimbursement, deposit, or other consideration,  
4 for disposal by the Commission under the provisions of this  
5 title. The disposal agency shall, at the time any such prop-  
6 erty is so transferred to the Commission, make a record of  
7 (1) the items of property transferred, (2) the condition  
8 of such items, and (3) the disposal agency's estimate of the  
9 commercial value of such items. The disposal agency shall  
10 furnish a copy of such record to the Commission and shall  
11 transmit a copy thereof to the Surplus Property Adminis-  
12 trator. The Commission shall keep such records and make  
13 such reports as the Surplus Property Administrator may  
14 direct.

15 SEC. 304. (a) Property transferred to the Commission  
16 under section 303 shall be disposed of by the Commission by  
17 transferring it to the Commonwealth of the Philippines, if  
18 the Commission deems that the achievement of the objectives  
19 of this title will be facilitated to a greater extent by such  
20 transfer than by the disposal of such property under sub-  
21 section (b) and the disposition of the proceeds thereof as  
22 hereinafter provided. Any property so transferred to the  
23 Commonwealth of the Philippines shall be transferred with-  
24 out remuneration, but shall be transferred subject to such  
25 terms and conditions as may be prescribed by the Commis-



1 sion for the purpose of insuring that such property will be  
2 used for carrying out the objectives of this title.

3 (b) Any property transferred to the Commission under  
4 section 303, which is not transferred to the Commonwealth  
5 of the Philippines in accordance with subsection (a), shall  
6 be disposed of by the Commission in the Philippine Islands  
7 by sale, lease, or other methods, upon such terms and con-  
8 ditions as the Commission determines to be best suited for  
9 achieving the objectives of this title, and without regard to  
10 other provisions of law relating to the sale or disposition of  
11 property of the United States. The consideration for any  
12 such sale or lease or other disposal shall be paid in pesos.  
13 Any such sale or lease or other disposal may be made for a  
14 consideration greater or less than the normal market value or  
15 estimated commercial value of the property concerned. The  
16 proceeds derived by the Commission from any such sale  
17 or lease or other disposal, except so much thereof as may be  
18 required for paying the expenses of the Commission, shall  
19 from time to time be paid to the Commonwealth of the  
20 Philippines upon condition that the sums so paid will be  
21 covered into a special fund in the treasury of such Common-  
22 wealth, to be designated as the "rehabilitation fund", will  
23 be used by such Commonwealth only for such purposes and  
24 only upon such terms and conditions as the Commission

1 may prescribe for the purpose of insuring that such funds  
2 will be used for carrying out the objectives of this title.

3 (c) No military weapons, munitions, or toxic gas shall  
4 be transferred or otherwise disposed of by the Commission  
5 under this section.

6 (d) The value of the property transferred by the Com-  
7 mission to the Commonwealth of the Philippines under sub-  
8 section (a) (computed on the basis of the commercial  
9 values estimated by the disposal agencies) together with  
10 the total of the amounts paid by the Commission to the  
11 Commonwealth of the Philippines under subsection (b)  
12 shall not exceed \$100,000,000 in the aggregate. Any  
13 property remaining in control of the Commission if and  
14 when the value of the property so transferred, together with  
15 the amounts so paid, reaches an aggregate of \$100,000,000  
16 shall be disposed of in accordance with the provisions of  
17 the Surplus Property Act of 1944, as amended.

18 SEC. 305. The Commission is authorized, without regard  
19 to other provisions of law relating to Government contracts,  
20 to enter into contracts and other arrangements providing  
21 for the consignment of property to persons, firms, corpora-  
22 tions, and other organizations for disposal on behalf of the  
23 Commission for the purposes of this title, and providing for  
24 otherwise utilizing the services and facilities of persons,  
25 firms, corporations, and other organizations in carrying out

1 the functions of the Commission under this title. The Com-  
2 mission is authorized to transport, store, repair, alter, and  
3 otherwise deal with property transferred to it under this  
4 title, in such manner as the Commission deems will most  
5 effectively achieve the objectives of this title. The Com-  
6 mission may abandon, destroy, or otherwise dispose of any  
7 property transferred to it, without regard to the other pro-  
8 visions of this title, whenever it determines that such action  
9 would be economical and consistent with the objectives of  
10 this title.

11 SEC. 306. Any property which has been transferred to  
12 the Commission and has not been disposed of by it may be  
13 requisitioned by any other department or agency of the  
14 United States for its own use; and, upon the receipt of any  
15 such requisition, the Commission shall transfer such property  
16 to the requisitioning department or agency without reim-  
17 bursement or transfer of funds.

18 SEC. 307. The expenses of the Commission shall be  
19 paid from the proceeds of property disposed of by it pur-  
20 suant to the provisions of section 304, and the Commission  
21 is authorized to use so much of such proceeds as may be  
22 necessary for that purpose. The Secretary of State is  
23 authorized to advance to the Commission, from any appro-  
24 priations made to the Department of State, such sums as  
25 may be necessary to enable the Commission to function until



1 it has received money from the disposal of property under  
2 section 304 from which its expenses may be paid. Any  
3 such advance shall be repaid by the Commission from the  
4 proceeds of the disposal of property under section 304, and  
5 such repayment shall be credited to the appropriation from  
6 which the advance was made.

7 SEC. 308. The Commission shall submit quarterly re-  
8 ports to the President and to the Congress concerning the  
9 administration of its functions.

#### 10 TITLE IV—TRANSFER OF ENEMY PROPERTY

11 SEC. 401. All money or other property of every char-  
12 acter and description in the Philippine Islands belonging to  
13 or held for, by, on account of, or on behalf of, or for the benefit  
14 of, any enemy, as defined in the Trading With the Enemy Act  
15 of 1917, as amended, and which has been or hereafter shall be  
16 conveyed, transferred, or delivered to the Alien Property  
17 Custodian, or which has been or hereafter shall be seized by  
18 the Alien Property Custodian under the authority of the  
19 Trading With the Enemy Act of 1917, as amended, shall be  
20 transferred to the Government of the Philippine Common-  
21 wealth to be disposed of in such manner as it may determine.

#### 22 TITLE V—SURVEY WORK AND TRAINING

23 SEC. 501. The Coast and Geodetic Survey of the Depart-  
24 ment of Commerce is hereby authorized to continue, until the  
25 expiration of five years from January 1, 1946, the survey

1 work which was being conducted by it in the Philippine  
2 Islands prior to December 7, 1941. The Coast and Geodetic  
3 Survey is also authorized to train at least ten qualified  
4 Filipinos a year, who shall be designated by the President of  
5 the Commonwealth of the Philippines, to take over and con-  
6 tinue such survey work at the expiration of such five years.  
7 Such Filipinos as are designated under this section shall rank  
8 with and receive the pay of aides of the Coast and Geodetic  
9 Survey while undergoing the training authorized by this  
10 section.

11 SEC. 502. The Chairman of the United States Maritime  
12 Commission is hereby authorized to permit not exceeding  
13 twenty-five Filipinos a year, for a period of five years, to be  
14 designated by the President of the Commonwealth of the  
15 Philippines, to receive instruction in the United States Mer-  
16 chant Marine Corps and at the United States Merchant  
17 Marine Academy at Kings Point, New York. The persons  
18 receiving instruction under authority of this section shall  
19 receive the same pay, allowances, and emoluments to be  
20 paid from the same appropriations, and, subject to such  
21 exceptions as may be determined by the Chairman of the  
22 United States Maritime Commission, shall be subject to the  
23 same rules and regulations governing admission, attendance,  
24 discipline, resignation, discharge, dismissal, and graduation

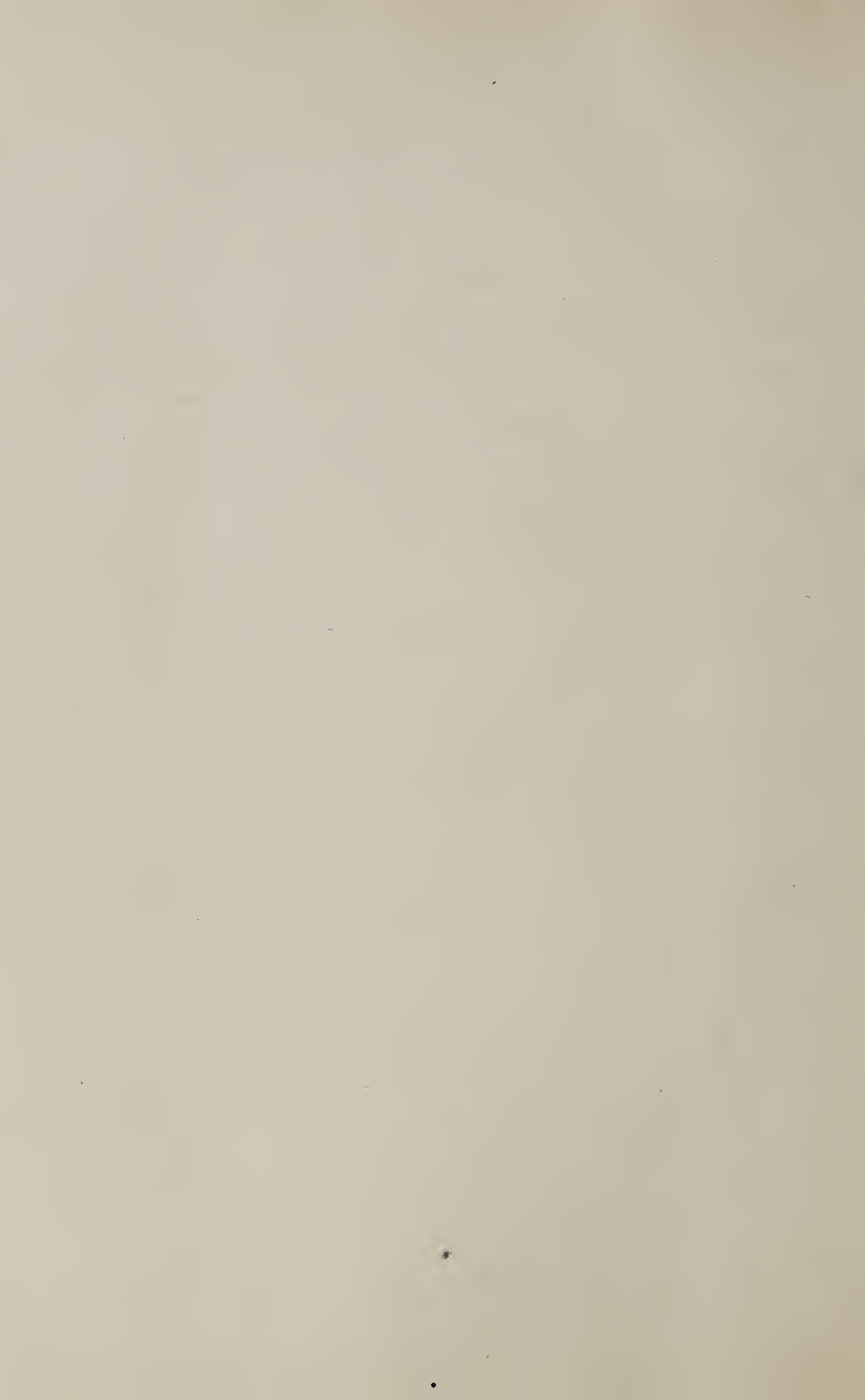


1 as cadet-midshipmen at the Merchant Marine Academy  
2 appointed from the United States.

3 SEC. 503. The Commissioner of the Fish and Wildlife  
4 Service of the Department of the Interior is hereby author-  
5 ized to permit not exceeding twenty-five Filipinos a year,  
6 for a period of five years, to be designated by the President  
7 of the Commonwealth of the Philippines, to receive instruc-  
8 tion in methods of deep-sea fishing under the supervision of  
9 the Fish and Wildlife Service of the Department of the  
10 Interior.

11 SEC. 504. There is hereby authorized to be appropriated  
12 the sum of \$200,000, but not to exceed \$40,000 in any one  
13 year, or so much thereof as may be necessary, to carry out  
14 the programs authorized by this title.









79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 1488**

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**A BILL**

To provide for the rehabilitation of the Philippine Islands, and for other purposes.

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By Mr. TYDINGS

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OCTOBER 18, 1945

Read twice and referred to the Committee on  
Territories and Insular Affairs





79TH CONGRESS  
1ST SESSION

# S. 1610

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 19 (legislative day, OCTOBER 29), 1945

Mr. TYDINGS introduced the following bill; which was read twice and referred to the Committee on Territories and Insular Affairs

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## A BILL

To provide for the rehabilitation of the Philippine Islands, and  
for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Philippine Rehabili-  
4       tation Act of 1945".

### 5       TITLE I—COMPENSATION FOR WAR DAMAGE

6       SEC. 101. (a) There is hereby established a Philippine  
7       War Damage Commission (in this title referred to as the  
8       "Commission"). The Commission shall consist of three  
9       members, to be appointed by the President of the United  
10       States. One of the members of the Commission shall be a  
11       Filipino. The members of the Commission shall receive com-



1   pensation at the rate of \$10,000 a year. The terms of office  
2   of the members of the Commission shall expire at the time  
3   fixed in subsection (d) for winding up the affairs of the Com-  
4   mission. A vacancy in the membership of the Commission  
5   shall not impair the authority of the remaining two members  
6   of the Commission to exercise all of its functions. Vacancies  
7   occurring in the membership of the Commission shall be filled  
8   in the same manner as in the case of the original selection.  
9   Members of the Commission shall receive their necessary  
10   traveling and other expenses incurred in connection with  
11   their duties as such members, or a per diem allowance in lieu  
12   thereof.

13       (b) The Commission may, without regard to the civil-  
14   service laws or the Classification Act of 1923, as amended,  
15   appoint and fix the compensation of such officers and em-  
16   ployees, and may make such expenditures, as may be neces-  
17   sary to carry out its functions. Officers and employees of  
18   any other department or agency of the Government may,  
19   with the consent of the head of such department or agency,  
20   be assigned to assist the Commission in carrying out its  
21   functions. The Commission may, with the consent of the  
22   head of any other department or agency of the Government,  
23   utilize the facilities and services of such department or agency  
24   in carrying out the functions of the Commission.

25       (c) The Commission may prescribe such rules and

1 regulations as are necessary for carrying out its functions,  
2 and may delegate functions to any member, officer, or em-  
3 ployee of the Commission or of any other department or  
4 agency of the United States or of the Commonwealth of the  
5 Philippines.

6 (d) The Commission shall, so far as practicable, give  
7 consideration to, but need not await, or be bound by, the  
8 recommendations of the Filipino Rehabilitation Commission  
9 (created by the Act approved June 29, 1944) with respect  
10 to Philippine war damage. The Commission shall wind up  
11 its affairs not later than two years after the expiration of  
12 the time for filing claims under this title.

13 SEC. 102. (a) The Commission is hereby authorized to  
14 make compensation to the extent hereinafter provided on  
15 account of physical loss of or damage to property in the  
16 Philippine Islands occurring after December 7, 1941  
17 (Philippine time), and before October 1, 1945, as a result of  
18 one or more of the following perils: (1) Enemy attack (in-  
19 cluding action taken by or at the request of the military,  
20 naval, or air forces of the United States in resisting enemy  
21 attack); (2) action taken by enemy representatives, civil  
22 or military, or by the representatives of any government  
23 cooperating with the enemy; (3) action by the armed forces  
24 of the United States or other forces cooperating with the  
25 armed forces of the United States in expelling the enemy

1 from the Philippine Islands; (4) looting, pillage, or other  
2 lawlessness or disorder accompanying the collapse of civil  
3 authority or incidental to control by enemy forces: *Provided*,  
4 That such compensation shall be payable only to qualified  
5 persons having, on December 7, 1941 (Philippine time),  
6 and continuously to and including the time of loss or damage,  
7 an insurable interest as owner, mortgagee, lien holder, or  
8 pledgee in such property so lost or damaged: *Provided fur-*  
9 *ther*, That any qualified person who acquired any deceased  
10 person's interest in any property either (1) as heir, devisee,  
11 legatee, or distributee, or (2) as executor or administrator  
12 of the estate of any such deceased person for the benefit of  
13 one or more heirs, devisees, legatees, or distributees, all of  
14 whom are qualified persons, shall be deemed to have had  
15 the same interest in such property during such deceased  
16 person's lifetime that such deceased person had: *Provided*  
17 *further*, That no payment or payments shall be made in an  
18 aggregate amount which exceeds whichever of the following  
19 amounts, as determined by the Commission, is less: (a) The  
20 actual cash value, at the time of loss, of property lost or  
21 destroyed and the amount of the actual damage to other  
22 property of the claimant which was damaged as a direct  
23 result of the causes enumerated in this section; (b) the cost  
24 of repairing or rebuilding such lost or damaged property,  
25 or replacing the same with other property of like or similar



1 quality: *Provided further*, That in case the aggregate  
2 amount of the claims which would be payable to any one  
3 claimant under the foregoing provisions exceeds \$500, the  
4 aggregate amount of the claims payable to such claimant  
5 shall be reduced by 25 per centum of the excess over \$500.

6 (b) When used in this section, the term “qualified  
7 person” means—

8 (1) any individual, who on December 7, 1941  
9 (Philippine time), and continuously to the time of filing  
10 claim pursuant to this title, was a citizen of the United  
11 States or of the Philippine Commonwealth or of the  
12 Philippine Republic;

13 (2) any individual, who at any time subsequent  
14 to September 16, 1940, and prior to August 14, 1945,  
15 served honorably in the armed forces of the United  
16 States or of the Philippine Commonwealth, or honorably  
17 performed “service in the merchant marine” (as defined  
18 in the first section of the Act entitled “An Act to  
19 provide reemployment rights for persons who leave their  
20 positions to serve in the merchant marine, and for other  
21 purposes”, approved June 23, 1943) ;

22 (3) any church or other religious organization;  
23 and

24 (4) any corporation (or, upon dissolution, its  
25 successor if it satisfies the requirements of this paragraph



(4) ) organized pursuant to the laws of any of the several States or of the United States or of any Territory or possession thereof (including any corporation or sociedad anonima organized pursuant to the laws in effect in the Philippine Islands at the time of its organization), but excluding any corporation wholly owned by the Commonwealth of the Philippines (or the Philippine Republic).

SEC. 103. The Commission shall make no payment under the provisions of this title—

(a) to any enemy alien;

(b) to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy, or of any act involving disloyalty to the United States or the Philippine Commonwealth;

(c) to any corporation or sociedad anonima owned or controlled by any of the persons specified in clauses (a) and (b) of this section;

(d) to compensate for any loss of or damage to property which, at the time of loss or damage, was insured against any one or more of the perils specified in section 102 hereof, except to the extent that the loss or damage exceeds the amount of such insurance, whether or not collectible;

(e) to compensate for any loss or damage—

(1) for which the War Department or the Navy Department is authorized to make payment, or

(2) for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid, by the Philippine Government or by the United States Government or by their respective departments, establishments, or agencies, unless the Government, department, establishment, or agency concerned has declined to pay compensation or indemnity for such loss or damage;

(f) unless the claimant shall file with the Commission, within nine months after the enactment hereof, a claim in reasonable conformity with the requirements of this title and such reasonable regulations as shall be established by the Commission.

SEC. 104. (a) No claim shall be paid unless approved by the Commission or its authorized representatives, and on account of each claim so approved the Commission may make immediate payment of (1) so much of the approved amount of the claim as does not exceed five hundred dollars or one thousand Philippine pesos, plus (2) 80 per centum of the remainder of the approved amount of the claim. After the

1 time for filing claims has expired, the Commission shall  
2 determine the amount of money available for the further  
3 payment of claims. Such funds shall be applied pro rata  
4 toward the payment of the unpaid balances of the amounts  
5 authorized to be paid pursuant to section 102 of this title.

6 (b) Of the funds appropriated for the purpose of pay-  
7 ing compensation under this title, \$5,000,000 shall be set  
8 aside for the payment of claims filed by churches and other  
9 religious organizations on account of loss of or damage to  
10 property consisting of churches, parish houses, and other  
11 property devoted to religious purposes (excluding schools,  
12 hospitals, and other charitable institutions). Subsection (a)  
13 of this section shall not be applicable with respect to claims  
14 filed by churches and other religious organizations with re-  
15 spect to such property; but, after the time for filing claims  
16 has expired, the funds set aside pursuant to this subsection  
17 shall be applied pro rata toward paying such amounts as  
18 are authorized to be paid pursuant to section 102 with respect  
19 to claims filed by churches and other religious organizations  
20 with respect to such property, and shall be applied without  
21 discrimination to the proportional payment of all allowable  
22 claims filed by churches and other religious organizations  
23 with respect to such property. No payments with respect  
24 to such claims shall be made except from the funds set  
25 aside pursuant to this subsection.

1       (c) The Commission may, at its option, make pay-  
2 ment, in whole or in part, of the amount payable in the  
3 case of any claim authorized to be paid under this title by  
4 rebuilding or repairing lost or damaged property, or re-  
5 placing it with other property of like or similar kind. The  
6 amount expended for such purpose in any case, including  
7 the fair value of property transferred to the claimant, shall  
8 be deemed to have been paid to the claimant on account  
9 of his claim, and such amount shall in no case exceed the  
10 amount authorized to be paid under this title on account  
11 of such claim. The Commission is authorized to acquire  
12 such property, to have such work done, to make such  
13 contracts, and to take such other action as may be necessary  
14 for the purposes of this subsection.

15       (d) All of the provisions of this title shall be subject  
16 to the requirement that, to the fullest extent practicable,  
17 the Commission shall require that the lost or damaged  
18 property be rebuilt, replaced, or repaired before payments  
19 of money are actually made to claimants under this title.

20       SEC. 105. Not later than six months after its organiza-  
21 tion, and every six months thereafter, the Commission shall  
22 make a report to the Congress concerning operations under  
23 this title.

24       SEC. 106. (a) There is hereby authorized to be ap-



1   appropriated, out of any money in the Treasury not otherwise  
2   appropriated, the amount of \$330,000,000 for the purposes  
3   of paying compensation to the extent authorized by this title.  
4   and of such sum, not to exceed \$1,500,000 shall be available  
5   to pay the expenses of the Commission.

6       (b) Any sums received by the United States from the  
7   Japanese Government or the Japanese people by way of  
8   reparations or indemnity on account of the war—

9           (1) shall be covered into the Treasury of the  
10   United States until the sums so covered into the Treasury  
11   are equal to the sum of the amounts appropriated for  
12   the payment of compensation under this title and the  
13   amounts appropriated for carrying out the purposes of  
14   title III of this Act;

15          (2) when the amounts covered into the Treasury  
16   under clause (1) are equal to the amounts so appro-  
17   priated, one-half of any further sums so received by the  
18   United States from the Japanese shall be covered into  
19   the Treasury of the United States and the other one-half  
20   shall be paid to the Government of the Commonwealth  
21   of the Philippines (or the Philippine Republic) until  
22   the amount so paid to such government plus the amounts  
23   appropriated for the payment of compensation under  
24   this title and the amount appropriated for carrying out  
25   the purposes of title III are equal to the amount esti-



1 mated by the Commission to represent the total loss of  
2 and damage to real and tangible personal property in the  
3 Philippine Islands from the causes enumerated in section  
4 102 (a) ; and

5 (3) thereafter shall be covered into the Treasury  
6 of the United States.

7 SEC. 107. Whoever, in the Philippine Islands or else-  
8 where, makes any statement or representation knowing it  
9 to be false, or whoever willfully overvalues loss of or damage  
10 to property for the purpose of obtaining for himself or for  
11 any claimant any compensation pursuant to this title, or for  
12 the purpose of influencing in any way the action of the  
13 Commission with respect to any claim for compensation pur-  
14 suant to this title, or for the purpose of obtaining money,  
15 property, or anything of value under this title, shall, upon  
16 conviction, be punished by a fine of not more than \$5,000 or  
17 by imprisonment for not more than two years, or both.

18 SEC. 108. No remuneration on account of services ren-  
19 dered or to be rendered to or on behalf of any claimant in  
20 connection with any claim for compensation pursuant to this  
21 title shall exceed 5 per centum of the compensation paid by  
22 the Commission on account of such claim. Any agreement  
23 to the contrary shall be unlawful and void. Whoever, in  
24 the Philippine Islands or elsewhere, receives on account of  
25 services rendered or to be rendered in connection with any

1 claims for compensation hereunder, any remuneration in  
2 excess of the maximum permitted by this section shall be  
3 deemed guilty of a misdemeanor and, upon conviction  
4 thereof, shall be fined not more than \$1,000 or imprisoned  
5 for not more than six months, or both.

6       SEC. 109. Except as lawfully provided in policies of in-  
7 surance heretofore or hereafter issued by the War Damage  
8 Corporation pursuant to subsection (a) of section 5g of the  
9 Reconstruction Finance Corporation Act, as amended, the  
10 authority herein granted to the Philippine War Damage  
11 Commission shall be in lieu of and shall supersede all author-  
12 ity previously conferred on the War Damage Corporation  
13 to furnish protection or pay compensation with respect to  
14 property situated, at the time of loss or damage, in the  
15 Philippine Islands, and the protection authorized to be ex-  
16 tended and the compensation authorized to be paid by the  
17 Philippine War Damage Commission shall be in lieu of all  
18 protection heretofore extended or authorized to be extended  
19 by the War Damage Corporation with respect to property  
20 situated, at the time of loss or damage, in the Philippine  
21 Islands, except to the extent provided in policies of insurance  
22 heretofore or hereafter issued by the War Damage Corpo-  
23 ration. The War Damage Corporation is hereby prohibited

1 from providing for or paying compensation for war damage  
2 in the Philippine Islands except to the extent provided in its  
3 policies of insurance heretofore or hereafter issued in con-  
4 sideration of a premium paid therefor.

5 SEC. 110. The classes of property enumerated in this  
6 section, whether situated in the Philippine Islands or else-  
7 where, are hereby excluded from protection, compensation,  
8 or consideration under this title, and the Commission shall  
9 not make any payment, directly or indirectly, on account of  
10 loss of or damage to such classes of property:

11 (1) Accounts, bills, records, films, plans, drawings,  
12 formulas, currency, deeds, evidences of debt, securities,  
13 money, bullion, furs, jewelry, stamps, precious and semi-  
14 precious stones, works of art, antiques, stamp and coin col-  
15 lections, manuscripts, books and printed publications more  
16 than fifty years old, models, curiosities, objects of historical  
17 or scientific interest, and pleasure aircraft;

18 (2) Vessels and watercraft, their cargoes and equip-  
19 ment, except (a) vessels used or intended to be used exclu-  
20 sively for storage, housing, manufacturing, or generating  
21 power, (b) vessels while under construction until delivery  
22 by the builder, or sailing on delivery or trial trip, whichever  
23 shall first occur, and (c) vessels propelled by sail;

1       (3) Real property (other than standing timber, grow-  
2 ing crops, and orchards) not a part of a building or structure;

3       (4) Intangible property;

4       (5) Passenger-carrying motor vehicles except those  
5 used principally for commercial purposes;

6       (6) Property diverted to the Philippine Islands, by  
7 authority of the United States Government or otherwise, as  
8 a result of war conditions; and

9       (7) Property in transit (a) which at the time of loss  
10 or damage was insured against war perils, or (b) with  
11 respect to which insurance against such perils was available,  
12 at the time of loss or damage either at reasonable commer-  
13 cial rates or from the United States Maritime Commission.

14       SEC. 111. All departments, commissions, offices, agen-  
15 cies, and instrumentalities of the United States Government,  
16 upon the written request of the Commission, are authorized  
17 to make delivery and conveyance to designated claimants,  
18 or to the Commission, of any surplus property of the United  
19 States in the Philippine Islands deemed by the Commission  
20 to be similar to that for which compensation is requested,  
21 or to be suitable for the rebuilding or repair of the property  
22 damaged or destroyed. The transfer of such property to  
23 such claimants shall be at the fair value of the property as  
24 fixed by the disposal agency. The Commission shall pay  
25 such fair value to the disposal agency.



1        SEC. 112. The War Damage Corporation is authorized  
2 and directed to consult with, and in every manner possible to  
3 assist and cooperate with, the Commission, to aid the Com-  
4 mission in its performance of duties hereunder, and to make  
5 available to or deliver to the Commission all records, claims,  
6 files, and other documents in its possession pertaining to  
7 Philippine claims. The Commission is authorized to give  
8 such weight as it may deem proper to any reports, certifi-  
9 cates, or recommendations of the War Damage Corpora-  
10 tion, or its adjusters or claims service offices.

11        SEC. 113. The Commission shall notify all claimants of  
12 the approval or denial of their claims, and, if approved, shall  
13 notify such claimants of the amount for which such claims  
14 are approved. Any claimant whose claim is denied, or is  
15 approved for less than the full allowable amount of said  
16 claim, shall be entitled, under such regulations as the Com-  
17 mission may prescribe, to a hearing before the Commission  
18 or its representatives with respect to such claim. Upon  
19 such hearing, the Commission may affirm, modify, or re-  
20 verse its former action with respect to such claim, including  
21 a denial or reduction in the amount of a claim theretofore  
22 approved. All findings of the Commission concerning the  
23 amount of loss or damage sustained, the cause of such loss  
24 or damage, the persons to whom compensation pursuant  
25 to this title is payable, and the value of the property lost



1 or damaged, shall be conclusive and shall not be reviewable  
2 by any court.

## 3 TITLE II—DISPOSAL OF SURPLUS PROPERTY

4 SEC. 201. In order to expedite the disposition of sur-  
5 plus property of the United States in the Philippine Islands  
6 and to aid in—

7 (1) repairing and replacing buildings, equipment,  
8 and other property of the Commonwealth of the Philip-  
9 pines and other governmental units in the Philippines, in  
10 cases where such buildings, equipment, or other property  
11 have been damaged, lost, or destroyed in the war, and  
12 otherwise restoring and facilitating the normal operations  
13 of governmental units in the Philippines;

14 (2) restoring and providing essential public build-  
15 ings, services, works, and utilities, including hospitals,  
16 schools, and other institutions furnishing essential health  
17 and welfare services, in the Philippines; and

18 (3) rehabilitating the economy of the Philippines  
19 and aiding and encouraging private enterprise in such  
20 economy;

21 the Department of State, the disposal agency for the Philip-  
22 pines designated under the Surplus Property Act of 1944, act-  
23 ing through the Foreign Liquidation Commissioner (herein-  
24 after referred to as the “Commissioner”), is hereby author-  
25 ized, notwithstanding any other provision of law, to transfer to

1 the Commonwealth of the Philippines, without reimburse-  
2 ment, property of the United States now or hereafter located  
3 in the Philippine Islands and declared surplus under the  
4 Surplus Property Act of 1944, upon such terms and condi-  
5 tions, including the use or disposition of such property by  
6 the Commonwealth of the Philippines, as the Commissioner  
7 may deem appropriate to carry out the purposes of this title.

8 SEC. 202. At the time any such property is so trans-  
9 ferred to the Commonwealth of the Philippines, the Com-  
10 missioner shall make a record of (1) the items transferred,  
11 (2) the condition of such items, and (3) his estimate of  
12 the fair value of such items. The Department of State shall  
13 furnish a copy of such record to the Surplus Property Ad-  
14 ministrator, and shall also make quarterly reports to the  
15 President and the Congress concerning the administration  
16 of this title.

17 SEC. 203. Any surplus property now or hereafter lo-  
18 cated in the Philippines which is not transferred to the  
19 Commonwealth of the Philippines under section 201, may  
20 be disposed of by the Commissioner by sale, upon such  
21 terms and conditions as the Commissioner determines to  
22 be best suited for achieving the purposes stated in section  
23 201, and without regard to other provisions of law relating  
24 to the sale or disposition of property of the United States.

1 Any such sale may be made for a consideration greater or  
2 less than the fair value of the property concerned. In  
3 making such sale, the Commissioner may accept pesos  
4 as consideration. Any such surplus property which has not  
5 been disposed of by the Commissioner may be requisitioned  
6 by any other department or agency of the United States  
7 for its own use; and, upon the receipt of any such requisition,  
8 the Commissioner shall transfer such property to the requi-  
9 sitioning department or agency upon reimbursement of the  
10 fair value thereof. The proceeds derived from any disposal  
11 of surplus property by the Commissioner under this title  
12 shall be covered into the Treasury of the United States. If  
13 the consideration upon any disposal of property by the Com-  
14 missioner be other property, such other property may be  
15 disposed of by the Commissioner in the same manner as  
16 surplus property located in the Philippines.

17 SEC. 204. No military weapons, munitions, or toxic  
18 gas shall be transferred or otherwise disposed of under this  
19 title.

20 SEC. 205. The Commissioner is authorized to appoint  
21 an advisory committee to advise him upon the action to be  
22 taken by him under this title.

23 SEC. 206. The fair value of the property transferred to  
24 the Commonwealth of the Philippines under this title, as

1 estimated by the Commissioner, shall not exceed \$30,-  
2 000,000 in the aggregate.

3 SEC. 207. The Commissioner may prescribe such rules  
4 and regulations as may be necessary for the performance  
5 of his functions under this title, and may delegate and au-  
6 thorize successive redelegations of any authority conferred  
7 upon him by this title to any officer or employee of his  
8 agency or of any other department or agency of the United  
9 States or of the Commonwealth of the Philippines.

10 TITLE III—RESTORATION AND IMPROVEMENT  
11 OF PUBLIC PROPERTY AND ESSENTIAL  
12 PUBLIC SERVICES

13 SEC. 301. As a manifestation of good will to the Filipino  
14 people, there are hereby authorized to be appropriated, out  
15 of any money in the Treasury not otherwise appropriated,  
16 (1) the sum of \$120,000,000, to be allocated from time to  
17 time by the President of the United States among the  
18 various programs set forth in sections 302, 303, 304, and  
19 305, and (2) such additional sums as may be necessary to  
20 carry out the purposes of sections 306 to 311, inclusive.

21 PUBLIC ROADS

22 SEC. 302. (a) As recommended in a report based upon  
23 an investigation now being made in the Philippine Islands by  
24 the Public Roads Administration of the Federal Works



1 Agency and to the extent that the findings in such report  
2 are approved by the President, the Public Roads Administra-  
3 tion is authorized to plan, design, restore, and build, in  
4 accordance with its usual contract procedures, such roads,  
5 essential streets, and bridges as may be necessary from the  
6 standpoint of the national defense and economic rehabilita-  
7 tion and development of the Philippine Islands.

8 (b) The Commissioner of Public Roads is authorized,  
9 under such regulations as he may adopt, to provide train-  
10 ing for not to exceed ten Filipino engineers, to be desig-  
11 nated by the President of the Philippine Islands from the  
12 regularly employed staff of the Philippine Public Works  
13 Department subject to the provisions of section 311 (c),  
14 in the construction, maintenance, and highway traffic engi-  
15 neering and control necessary for the continued maintenance  
16 and for the efficient and safe operation of highway transport  
17 facilities.

18 PORT AND HARBOR FACILITIES

19 SEC. 303. (a) As recommended in a report based upon  
20 an investigation now being made in the Philippine Islands by  
21 the Corps of Engineers of the United States Army and to  
22 the extent that the findings in such report are approved by  
23 the President, the Corps of Engineers is authorized to carry  
24 out a program for the rehabilitation, improvement, and  
25 construction of port and harbor facilities in the Philippine



1 Islands, such work to be done by contract, insofar as prac-  
2 ticable, under the direction of the Secretary of War and  
3 the supervision of the Chief of Engineers, and in accordance  
4 with established procedures applicable to river and harbor  
5 projects.

6 (b) The Chief of Engineers of the Army is authorized,  
7 under such regulations as he may adopt, to provide training  
8 for not to exceed ten Filipino engineers, to be designated  
9 by the President of the Philippine Islands from among the  
10 engineer officers of the Philippine Army and the regularly  
11 employed staff of the Philippine Public Works Department  
12 subject to the provisions of section 311 (c), in the construc-  
13 tion, improvement, and maintenance of port facilities and  
14 other works of improvements on rivers and harbors.

#### 15 PUBLIC PROPERTY

16 SEC. 304. The Philippine War Damage Commission,  
17 within the limits of the appropriations allocated to it for  
18 carrying out the provisions of this section, is authorized to  
19 compensate the Commonwealth of the Philippines (or the  
20 Philippine Republic), the provincial governments, chartered  
21 cities, municipalities, and corporations wholly owned by the  
22 Commonwealth of the Philippines (or the Philippine Repub-  
23 lic), in the Philippine Islands, for physical loss of or damage  
24 to public property in the Philippine Islands occurring after  
25 December 7, 1941 (Philippine time), and before October 1,

1 1945, as a result of the perils listed in section 102 (a) hereof,  
2 in any case in which compensation for such losses or the re-  
3 building, repair, or replacement of the lost or damaged  
4 property is not provided for by the transfer of surplus  
5 property under section 201 hereof, or provided for under the  
6 provisions of this title other than this section or otherwise  
7 provided for by the United States Government or any de-  
8 partment or agency thereof. To the fullest extent practi-  
9 cable, the Commission shall require that any lost or damaged  
10 property for which it decides to award compensation under  
11 this section shall be rebuilt, replaced, or repaired before pay-  
12 ments of money are actually made to claimants under this  
13 section. The Commission in its discretion may request the  
14 Federal Works Agency or the Corps of Engineers of the  
15 United States Army to undertake the rebuilding, repair, or  
16 replacement of property for which the Commission awards  
17 compensation under this section, and, from the funds avail-  
18 able for carrying out the provisions of this section, may trans-  
19 fer to such Agency or Corps of Engineers the funds necessary  
20 to pay for the work requested. The Federal Works Agency  
21 and the Corps of Engineers are authorized to rebuild, repair,  
22 or replace property in accordance with any such request of  
23 the Commission and to expend the funds so transferred to  
24 them for such purpose. The Commission shall have full  
25 power to select, and fix the priority of, cases in which com-

1   pensation will be awarded or property rebuilt, repaired, or  
2   replaced under this section, and to determine the amount of  
3   such compensation and the extent to which such property will  
4   be rebuilt, repaired, or replaced, taking into account the  
5   relative importance of various projects to the reconstruction  
6   and reconversion of the economy of the Philippine Islands and  
7   such other factors as the Commission deems relevant.

#### 8                                   PUBLIC HEALTH

9       SEC. 305. (a) The Public Health Service of the Federal  
10   Security Agency is authorized to cooperate with the Govern-  
11   ment of the Philippine Islands, and with other appropriate  
12   agencies or organizations, in the rehabilitation and develop-  
13   ment of public health services and facilities throughout the  
14   Philippine Islands.

15       (b) To accomplish such purposes the Public Health  
16   Service shall at the earliest practicable time survey the  
17   health situation in the Philippine Islands, and is authorized  
18   to replace, expand, or install such health services and fa-  
19   cilities in the Philippine Islands as are deemed essential to  
20   preservation of health, and may assist in the rehabilitation  
21   and development of a Philippine quarantine service for pre-  
22   vention of introduction of disease from abroad or from one  
23   island to another. The Public Health Service may set up  
24   demonstrations and establish training centers in the Philip-  
25   pine Islands; may establish and maintain in the Philippine

1 Islands a school or schools for the purpose of providing  
2 practical instruction in public health; and may, at any time  
3 prior to January 1, 1948, provide one year of training in  
4 appropriate schools or colleges in the United States to not  
5 more than one hundred Filipinos, to be designated by the  
6 President of the Philippine Islands subject to the pro-  
7 visions of section 311 (c), in public health methods and  
8 administration. It may replace equipment and supply  
9 reasonably necessary additional equipment, utilizing for this  
10 purpose, so far as possible, surplus property, and may  
11 recommend to the Commission the repair or construction  
12 under the provisions of section 304, at any time prior to  
13 July 1, 1950, of buildings deemed essential to the rehabili-  
14 tation of public health and quarantine functions.

15 INTER-ISLAND COMMERCE

16 SEC. 306. (a) In order to restore and improve inter-  
17 island commerce in the Philippine Islands, the United  
18 States Maritime Commission is authorized to charter under  
19 such terms and conditions (including nominal rates of charter  
20 hire) vessels of less than two thousand gross tons to in-  
21 dividuals, corporations, or cooperatives or other forms of busi-  
22 ness organizations in the Philippine Islands if the Commis-  
23 sion determines that they possess the ability, experience,  
24 financial resources, and other qualifications, necessary to  
25 enable them to operate and maintain the vessel in the



1 inter-island commerce in the Philippine Islands: *Provided*,  
2 That any charter entered into under the authority of this  
3 section shall contain a provision requiring that the vessel  
4 shall be operated only in the inter-island commerce in the  
5 Philippine Islands.

6 (b) The Chairman, United States Maritime Commis-  
7 sion, is hereby authorized to permit not exceeding fifty  
8 Filipinos each year, to be designated by the President of  
9 the Philippine Islands subject to the provisions of section 311  
10 (c), to receive instruction in the United States Merchant  
11 Marine Cadet Corps and at the United States Merchant  
12 Marine Academy at Kings Point, New York. The per-  
13 sons receiving instruction under authority of this section shall  
14 receive the same pay, allowances, and emoluments, to be  
15 paid from the same appropriations, and, subject to such  
16 exceptions as may be determined by the Chairman, United  
17 States Maritime Commission, shall be subject to the same  
18 rules and regulations governing admission, attendance,  
19 discipline, resignation, discharge, dismissal, and graduation,  
20 as cadet midshipmen at the Merchant Marine Academy  
21 appointed from the United States; but such persons shall  
22 not be entitled to appointment to any office or position in the  
23 United States merchant marine by reason of their graduation  
24 from the Merchant Marine Academy.



## INTER-ISLAND AIR NAVIGATION

1

2       SEC. 307. (a) The Administrator of Civil Aeronautics  
3 of the Department of Commerce is authorized to acquire,  
4 establish, operate, and to maintain a system of air-navigation  
5 facilities and associated airways communications services in  
6 the Philippine Islands for inter-island airways operation and  
7 to connect the Philippine airways with international and  
8 interoceanic routes.

9

10       (b) The Administrator of Civil Aeronautics is author-  
11 ized, under such regulations as he may adopt, to train not  
12 exceeding fifty Filipinos each year, to be designated by the  
13 President of the Philippine Islands subject to the provisions  
14 of section 311 (c), in air-traffic control, aircraft-communica-  
15 tions, maintenance of air-navigation facilities, and such other  
16 airman functions as are deemed necessary for the main-  
17 tenance and operation of aids to air navigation and other  
18 services essential to the orderly and safe operation of air  
19 traffic.

19

## WEATHER INFORMATION

20

21       SEC. 308. (a) The Chief of the Weather Bureau of the  
22 Department of Commerce is authorized to establish meteorolo-  
23 gical facilities in the Philippine Islands as may be required  
24 to provide weather information, warnings, and forecasts for  
general agricultural and commercial activities, including

1 meteorological service for the air routes on which air-naviga-  
2 tion facilities are operated by the Civil Aeronautics Admin-  
3 istration, and to maintain such meteorological offices until  
4 the Philippine Weather Bureau is reestablished and in posi-  
5 tion to assume responsibility for the service.

6 (b) The Chief of the Weather Bureau of the Depart-  
7 ment of Commerce is authorized, under such regulations as  
8 he may adopt, to train not to exceed fifty Filipinos in the  
9 first year and not to exceed twenty-five Filipinos in each  
10 succeeding year, the trainees to be designated by the Presi-  
11 dent of the Philippine Islands subject to the provisions of  
12 section 311 (c), and the training to include meteorological  
13 observations, analyses, forecasting, briefing of pilots, and  
14 such other meteorological duties as are deemed necessary in  
15 maintenance of general weather service, including weather  
16 information required for air navigation and the safe oper-  
17 ation of air traffic. The training of these employees shall  
18 be in addition and not in lieu of Weather Bureau employees  
19 to be trained under current Weather Bureau appropriations.

#### 20 PHILIPPINE FISHERIES

21 SEC. 309. (a) The Fish and Wildlife Service of the  
22 Department of the Interior is authorized to cooperate with  
23 the Government of the Philippine Islands, and with other  
24 appropriate agencies or organizations, in the rehabilitation

1 and development of the fishing industry, and in the investi-  
2 gation and conservation of the fishery resources of the  
3 Philippine Islands and adjacent waters.

4 (b) To accomplish such purposes the Fish and Wild-  
5 life Service shall conduct oceanographic, biological, fish cul-  
6 tural, technological, engineering, statistical, economic, and  
7 market development studies and demonstrations and fishery  
8 explorations, and in conjunction therewith may establish  
9 and maintain a vocational school or schools of fisheries in  
10 the Philippine Islands for the purpose of providing practical  
11 instruction and training in the fisheries; and may, at any  
12 time prior to July 1, 1950, provide one year of training  
13 to not more than one hundred and twenty-five Filipinos,  
14 to be designated by the President of the Philippine Islands  
15 subject to the provisions of section 311 (c), in methods  
16 of deep-sea fishing and in other techniques necessary to  
17 the development of fisheries.

18 (c) The Fish and Wildlife Service is authorized to  
19 acquire, construct, maintain, equip, and operate such re-  
20 search and experimental stations, schools, research and ex-  
21 ploratory fishing vessels, or any other facilities in the  
22 Philippine Islands that may be necessary to carry out the  
23 purposes of this section.

24 (d) The Maritime Commission is authorized, upon  
25 recommendation of the Fish and Wildlife Service of the

1 Department of the Interior, to make arrangements for the  
2 transfer by sale or charter of small vessels, considered by the  
3 Maritime Commission to be satisfactory for the purpose,  
4 to be used in the establishment and continuance of a fishing  
5 industry to be operated in or near the Philippine Islands.  
6 Such transfers may be made on such terms and conditions, in-  
7 cluding transfer for a nominal consideration, as the Mari-  
8 time Commission may approve, but only if, in the opinion  
9 of the Fish and Wildlife Service, such small vessels so to be  
10 used for Philippine Island fishing are not needed by the fish-  
11 ing industry of the United States, its Territories, and  
12 possessions.

13 COAST AND GEODETIC SURVEYS

14 SEC. 310. The Coast and Geodetic Survey of the De-  
15 partment of Commerce is authorized to continue, until June  
16 30, 1950, the survey work which was being conducted by  
17 it in the Philippine Islands prior to December 7, 1941. The  
18 Director of the Coast and Geodetic Survey is authorized to  
19 train not exceeding twenty Filipinos each year, to be desig-  
20 nated by the President of the Philippine Islands subject to  
21 the provisions of section 311 (c), in order that they may  
22 become qualified to take over and continue such survey  
23 work on and after July 1, 1950, and to pay all expenses  
24 incident to their temporary employment and training.



# 1 GENERAL PROVISIONS

2 SEC. 311. (a) The Government of the Philippine  
3 Islands shall provide all lands, easements, and rights-of-way  
4 necessary for the execution of the projects herein authorized.

(b) The several bureaus and agencies of the Government authorized by this title to undertake projects in the Philippine Islands are hereby authorized, in the prosecution of such projects, to cooperate with the Government of the Philippine Commonwealth (or the Philippine Republic), and to accept contributions of labor, materials, and money from such government and its political subdivisions and to utilize such labor, materials, and money in the prosecution of such projects.

(c) Wherever in this title the training of Filipinos at the expense of the United States Government is authorized, the head of the bureau or agency under whose supervision or control the training is given may establish minimum requirements as to education and experience, provide for competitive examinations, or establish such other standards for qualification for such training as in his judgment may seem necessary and advisable, and under such regulations as may be adopted from time to time may provide for the payment of all expenses incidental to such training, including, but not limited to, actual transportation expenses to and from



1 and in the United States, allowances for tuition, educational  
2 fees, and subsistence.

3 (d) Notwithstanding the provisions of section 3 of the  
4 Act of February 5, 1917 (39 Stat. 875), and section 8 of  
5 the Act of March 24, 1934 (48 Stat. 456), any Filipino who  
6 is appointed for training or instruction as provided in this  
7 Act may be admitted to the United States for such training  
8 or instruction upon certification to the Immigration and  
9 Naturalization Service by the head of the bureau or agency  
10 under whose supervision the training or instruction is to be  
11 given that such entry is necessary in connection with the  
12 training or instruction: *Provided*, That the privilege of enter-  
13 ing or remaining in the United States for such purposes  
14 shall terminate within a reasonable time after discontinuance  
15 of the training or instruction or upon failure of the person  
16 appointed to abide by the conditions of his appointment:  
17 *And provided further*, That the head of the bureau or agency  
18 concerned may at any time terminate the appointment of any  
19 person appointed under this Act if in his judgment the best  
20 interests of either the United States or the Philippine Gov-  
21 ernment make such action advisable, and his decision shall  
22 be final and conclusive.

23 (e) Unless otherwise provided by law this title shall  
24 expire on June 30, 1950.

1 TITLE IV—THE UNITED STATES HIGH  
2 COMMISSIONER

3        SEC. 401. Until the Philippine Islands attain their inde-  
4        pendence, the functions, powers, and duties exercised in the  
5        Philippine Islands by any officer, employee, department, or  
6        agency of the United States in carrying out the provisions  
7        of this Act shall be exercised under the general supervision  
8        of the United States High Commissioner to the Philippine  
9        Islands, and the officers, employees, offices, missions, and  
10       other agencies exercising such functions; powers, and duties  
11       shall be deemed to be attached to the office of the High  
12       Commissioner.









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## A BILL

To provide for the rehabilitation of the Philippine Islands, and for other purposes.

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By Mr. TYDINGS

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NOVEMBER 19 (legislative day, OCTOBER 29), 1945  
Read twice and referred to the Committee on  
Territories and Insular Affairs







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued November 21, 1945, for actions of Tuesday, November 20, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed appropriation rescission bill; Emergency Rubber Project item unchanged. Sen. Butler inserted his explanatory statement on Government-corporation bill. House received conference report on bill to discontinue land-grant freight-rates; veterans'-farm-purchase program deleted. House conferees appointed on Government reorganization bill. Sen. Johnston inserted Secretary Anderson's address on cotton. House passed bill to provide exemptions and privileges to international organizations.

SENATE

1. APPROPRIATION RESCISSION. Passed with amendments this bill, H.R.4407 (pp. 11003-22). Agreed to all committee amendments but rejected Sen. Barkley's (Ky.) amendment to keep employment offices under Federal control until June 30, 1946 (by a 31-35 vote)(pp. 11005-10). (For provisions of interest see Digest 201.)  
Sens. McKellar, Glass, Hayden, Tydings, Russell, Overton, Brooks, Bridges, Gurney, and Ball were appointed conferees (p. 11022). House conferees not yet appointed.
2. GOVERNMENT CORPORATIONS. Sen. Butler, Nebr., inserted his statement relative to H.R.3660, the bill providing for financial control of Government corporations, in which he included correspondence and a summary by sections (pp. 11025-9).
3. WOOL INVESTIGATION. Sen. Robertson, Wyo., was appointed to the Special Committee to Investigate the Production, Transportation, and Marketing of wool (p.11001).
4. COTTON STATISTICS. Received from this Department proposed legislation on the collection and publication of statistics of the grade and staple length of cotton. To Agriculture and Forestry Committee. (pp. 11001-2.)
5. HEALTH LEGISLATION. Sen. Wagner, N.Y., inserted a Physicians' Forum of N.Y. letter commending S. 1606, to provide for a national health program (p. 11002).
6. MINERALS. The Mines and Mining Committee reported without amendment S.1483, providing for the suspension of annual assesment work on mining claims held by location in the U.S., including Alaska (S.Rept. 754)(p. 11002).
7. PHILIPPINES. Territories and Insular Affairs Committee reported without amendment S.1610, to provide for the rehabilitation of the Philippines(S.Rept.755)(p.1102).

8. CONTRACT SETTLEMENT. Sen. O'Mahoney, Wyo., inserted a summary of the 5th Quarterly Report of the Office of Contract Settlement on contract terminations (p. 11022).
9. NOMINATIONS. The Banking and Currency Committee reported favorably on the nominations of Herbert E. Gaston and William McChesney to be members of the Export Import Bank Board of Directors (p. 11034).
10. ADJOURNED until Fri., Nov. 23 (p. 11034).

#### HOUSE

11. TRANSPORTATION; LAND-GRANT FREIGHT-RATES. Received the second conference report on H. R. 694, to discontinue land-grant freight-rates. The provision establishing a veterans' farm-purchase program was deleted. (p. 11043.)  
Rep. Rankin, Miss., urged more provision for veterans' farm loans (p. 11040).
12. GOVERNMENT REORGANIZATION. Reps. Manasco, Cochran, Whittington, Hoffman, and Bender were appointed conferees on H.R. 4129, the reorganization bill (p. 11043).  
Senate conferees not yet appointed.
13. HEALTH. The President (in his message requesting legislation for adoption of a national health program) urged more even distribution of medical aid, stating that "the number in our rural areas has been diminishing"; development of public health services to improve the national health in urban and rural areas and to prevent water pollution; expansion of medical research and professional education as exemplified by development of penicillin, DDT powder, and rehabilitation techniques; access to medical care by low-income groups; and maintenance of income during sickness (H. Doc. 380).  
Rep. Knutson, Minn., criticized expenditures with respect to pending health programs (p. 11044).
14. INTERNATIONAL ORGANIZATIONS. Passed without amendment H.R. 4489, to extend certain exemptions and privileges to international organizations (pp. 11040-3).
15. WAR POWERS. The Judiciary Committee reported with amendment H.R. 4571, to amend the First War Powers Act with respect to property held by the Alien Property Custodian (H.Rept. 1269) (p. 11049).
16. FOREIGN RELIEF. Received a Pa. Presbyterian Church resolution urging Congress to support UNRRA and "whatever rationing is necessary to feed the hungry people of Europe" (p. 11050).
17. VETERINARIANS; VETERANS. Rep. Traynor, Del., urged release from the armed services of veterinarians, physicians, and dentists as the "first move in a health program" and referred particularly to his bill H.R. 4425, which would provide for the release of such servicemen (p. 11037).

#### BILLS INTRODUCED

18. HOUSING. H. R. 4761, by Rep. Patman, Tex., to amend the National Housing Act by adding thereto a new title relating to the prevention of housing speculation. To Banking and Currency Committee. (p. 11049.)
19. VETERANS. H.R. 4578.





United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 79<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 91

WASHINGTON, TUESDAY, NOVEMBER 20, 1945

No. 205

## Senate

(Legislative day of Monday, October 29, 1945)

### CALL OF THE ROLL

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of our salvation, to Thee we lift our hearts in prayer, bringing nothing but our need and the adoration of our contrite spirits. From Thy hands we have received the gift of life, the blessings of home and of friendship, and the sacrament of beauty; in the fullness of Thy mercy Thou hast given us work to do and the strength wherewith to do it.

Make Thou our consecration a channel for the healing stream of Thy grace, so that having been sustained by Thy patience we may be patient, having freely received Thy bounty we may be bountiful, and having been blessed by Thy love without measure we may obey Thy behest, in an earth which is now one neighborhood, to love our neighbor as ourself. Through riches of grace in Christ Jesus our Lord. Amen.

### THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, November 19, 1945, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4129) to provide for reorganizing agencies of the Government, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MANASCO, Mr. COCHRAN, Mr. WHITTINGTON, Mr. HOFFMAN, and Mr. BENDER were appointed managers on the part of the House at the conference.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ball	Hatch	Reed
Barkley	Hayden	Revercomb
Bilbo	Hill	Robertson
Brewster	Hoey	Saltonstall
Buck	Huffman	Shipstead
Bushfield	Johnston, S. C.	Smith
Butler	Knowland	Stewart
Capper	La Follette	Taft
Carville	Lucas	Taylor
Chavez	McCarran	Thomas, Okla.
Connally	McClellan	Tobey
Cordon	McFarland	Tunnell
Donnell	McKellar	Tydings
Downey	Maybank	Wagner
Eastland	Mead	Walsh
Ellender	Mitchell	Wheeler
Ferguson	Moore	Wherry
Fulbright	Morse	White
George	Murdock	Wiley
Gerry	Myers	Willis
Green	O'Daniel	Wilson
Guffey	O'Mahoney	Young
Gurney	Radcliffe	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Missouri [Mr. BRIGGS], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is absent on official business.

The Senator from Washington [Mr. MAGNUSON] is a delegate to the American Legion convention in Chicago, and is therefore necessarily absent.

The Senator from Montana [Mr. MURRAY] is attending the conference in London to consider the creation of an educational and cultural organization of the United Nations.

The Senator from Virginia [Mr. BYRD], the Senator from Colorado [Mr. JOHNSON], the Senator from Connecticut [Mr. McMAHON], and the Senator from Georgia [Mr. RUSSELL] are absent on

official business with the Special Committee on Atomic Energy.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], the Senator from Connecticut [Mr. HART], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] have been excused. They are members of the Atomic Energy Committee, which is on an inspection trip to Oak Ridge, Tenn.

The Senator from Maine [Mr. BREWSTER] and the Senator from Michigan [Mr. FERGUSON] are detained at a meeting of the Pearl Harbor Investigating Committee.

The Senator from Illinois [Mr. BROOKS] and the Senator from North Dakota [Mr. LANGER] are members of the Senate committee attending the funeral of the late Senator Thomas of Idaho.

The Senator from Indiana [Mr. CAPEHART] is unavoidably absent because of injuries resulting from an accident.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from New Jersey [Mr. HAWKES] are necessarily absent.

The Senator from Vermont [Mr. AIKEN] has been excused and is necessarily absent.

The PRESIDENT pro tempore. Sixty-eight Senators having answered to their names, a quorum is present.

### SPECIAL COMMITTEE TO INVESTIGATE PRODUCTION, TRANSPORTATION, AND MARKETING OF WOOL

The PRESIDENT pro tempore. The Chair appoints the Senator from Wyoming [Mr. ROBERTSON] a member of the Special Committee to Investigate the Production, Transportation, and Marketing of Wool, to fill the vacancy caused by the death of Hon. John Thomas, late a Senator from the State of Idaho.

### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

### STATISTICS OF THE GRADE AND STAPLE LENGTH OF COTTON

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed



legislation to amend section 5 of the act entitled "An act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton" (with accompanying papers); to the Committee on Agriculture and Forestry.

**ADDITIONAL CLAIM FOR DAMAGE CAUSED BY VESSELS OF THE NAVY**

A letter from the Acting Secretary of the Navy, transmitting, pursuant to law, an additional claim for damage by collision between the barge *Annapolis* and the U. S. S. *Moray*; to the Committee on Naval Affairs.

**PETITION RELATING TO TOLL-FREE PRIVILEGES ON SAN FRANCISCO-OAKLAND (CALIF.) BAY BRIDGE**

The PRESIDENT pro tempore laid before the Senate a letter from C. H. Purcell, director of public works of the State of California, Sacramento, Calif., transmitting a resolution adopted by the California Toll Bridge Authority, relating to clarification and restriction of toll-free privileges for Government traffic using the San Francisco-Oakland (Calif.) Bay Bridge, which, with the accompanying resolution, was referred to the Committee on Commerce.

**PEACETIME COMPULSORY MILITARY TRAINING—LETTER FROM CAUTIOUS A. CHOATE**

Mr. CAPPER. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a letter from Cautious A. Choate, executive secretary, Central Kansas Conference of the Methodist Church, Wichita, Kans., protesting against the enactment of legislation providing for peacetime compulsory military training.

There being no objection, the letter was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

THE CENTRAL KANSAS  
CONFERENCE BOARD OF EDUCATION,  
THE METHODIST CHURCH,  
Wichita, Kans., November 12, 1945.  
The Honorable ARTHUR CAPPER,  
Senate Office Building,  
Washington, D. C.

MY DEAR SENATOR CAPPER: Ninety thousand Methodist people of central and western Kansas do not want universal peacetime conscription of their young men.

I represent the Central Kansas Conference of the Methodist Church and my work takes me over the western two-thirds of the State. On every hand I hear expressed a great fear that universal military peacetime training will be fastened upon America at this time. There is a common feeling that this would be one of the greatest tragedies to come out of the war.

I find general objection to this program, from the humblest member of the church to the bishops, on the following grounds:

1. Military training throws young men, as yet unready for the temptations of military life, into a society which far too often corrupts the moral and spiritual life in which the strength of any nation lies.

2. It creates a military set of mind that can see only force as a vital factor in the settlement of international disputes.

3. It would class our country among the great group of nations which have depended upon universal training and have experienced it as one of the chief factors of their downfall.

4. Our emphasis today should be on the positive factors which create good will, the surest kind of defense.

We should promote and support the machinery being set up for international cooperation. Universal military training is a

slap in the face to other nations and an invitation for them to do likewise, thus condemning everything which is being done for peace.

5. Against whom are we preparing? Japan and Germany are defeated. Only Russia is a possible enemy. A good-neighbor policy toward her would be much more effective than an armament race.

6. The whole program looks too much like an effort of the military group to fasten the system upon America at a time when we are uncertain and afraid. The fact that with peace many officers are facing demotion cannot be a negligible factor in any citizen's thinking on this subject.

These reasons and many others make the defeat of any bill for peacetime military training the No. 1 "Must" for every Christian. Let us give good will and friendliness a chance before we adopt so belligerent a policy.

Sincerely yours,

CAUTIOUS A. CHOATE,  
Executive Secretary.

**RETIREMENT OF CERTAIN OFFICERS OF THE NATIONAL GUARD**

Mr. HATCH. Mr. President, I hold in my hand a letter from Samuel W. Barrow, national commander of the Twenty-ninth Division Association, Washington, D. C., embodying a resolution adopted by the Twenty-ninth Division Association, comprising former officers and enlisted men, including inductees, of the Twenty-ninth Division, United States Army, American Expeditionary Forces, World War I and World War II, at their annual convention held in the city of Baltimore, Md., relative to Senate bill 1239, to provide for retirement of certain officers and former officers of the National Guard, a measure which my colleague [Mr. CHAVEZ] introduced. I ask unanimous consent to present the letter embodying the resolution, and that it be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the letter embodying the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

NATIONAL HEADQUARTERS,  
TWENTY-NINTH DIVISION ASSOCIATION,  
November 16, 1945.

HON. CARL A. HATCH,  
United States Senate,  
Washington, D. C.

DEAR SENATOR: The Twenty-ninth Division Association, Inc., at the annual convention which assembled on the 2d day of September 1945 at the Lord Baltimore Hotel, Baltimore, Md., adopted the following resolution:

**"Resolution 5**

"Resolution to provide for retirement of certain officers and former officers of National Guard—

"Whereas Senate bill 1239, Seventy-ninth Congress, first session, a bill to provide for the retirement of certain officers and former officers of the National Guard of the United States, Territories, and the District of Columbia, has been introduced in the United States Senate: Therefore be it

"Resolved, That the Twenty-ninth Division Association comprising former officers and enlisted men (including inductees) of the Twenty-ninth Division, United States Army, American Expeditionary Forces, World War I and World War II, at their annual convention held in the city of Baltimore in the State of Maryland, on September 1, 2, and 3, A. D. 1945, are unanimously in favor of such legislation; therefore, be it further

"Resolved, That this resolution be forwarded to the distinguished Senator from

the State of New Mexico, the Honorable CARL A. HATCH for insertion in the CONGRESSIONAL RECORD at the earliest practicable date."

Sincerely yours,

SAMUEL W. BARROW,  
National Commander.

(Mr. CHAVEZ presented a letter embodying a resolution identical with the foregoing, which was referred to the Committee on Military Affairs.)

**NATIONAL HEALTH INSURANCE**

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a very fine telegram received by me from the Physicians Forum of New York, commending me for introducing yesterday the health bill, which is designed to carry out the recommendations of President Truman.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., November 19, 1945.  
HON. ROBERT F. WAGNER,  
United States Senate,  
Washington, D. C.:

The Physicians Forum congratulates and commends you for introducing a new national health-insurance bill in accordance with President Truman's message. We heartily agree that such legislation is the only means to proper distribution of good medical care for all Americans. We are also completely in accord with the provisions for Federal support for hospital construction, for expansion of public health, maternal and child-health services, for more adequate professional education and research, and for disability insurance. As practicing physicians, we know that only through such a national measure can the health needs of all the people best be served.

ERNEST P. BOAS, M. D.,  
Chairman.

MILES ATKINSON, M. D.,  
Vice Chairman.

SIDNEY M. GREENBERG, M. D.,  
Treasurer.

GEORGE D. CANNON, M. D.,  
Secretary.

HENRY B. RICHARDSON, M. D.,  
Editor.

**REPORT OF A COMMITTEE**

Mr. CARVILLE, from the Committee on Mines and Mining, to which was referred the bill (S. 1483) to amend the act entitled "An act providing for the suspension of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska," approved May 3, 1943, reported it without amendment and submitted a report (No. 754) thereon.

**REHABILITATION OF THE PHILIPPINE ISLANDS—REPORT OF A COMMITTEE**

Mr. TYDINGS. Mr. President, from the Committee on Territories and Insular Affairs, I ask unanimous consent to report without amendment the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes, and I submit a report (No. 755) thereon. The report recommends the passage of the bill.

The PRESIDENT pro tempore. Without objection, the report will be received and the bill will be placed on the calendar.

**BILLS INTRODUCED**

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:



PROVIDING FOR THE REHABILITATION OF THE  
PHILIPPINE ISLANDS

---

NOVEMBER 20 (legislative day, OCTOBER 29), 1945.—Ordered to be printed

---

Mr. TYDINGS, from the Committee on Territories and Insular Affairs,  
submitted the following

## REPORT

[To accompany S. 1610]

Under existing law the Philippines will become a free and independent country on July 4, 1946. For 45 years the Filipinos have lived under our flag. During that period of time, Philippine independence has been continually held before them as an objective to be eventually reached when the Filipinos had demonstrated their ability to govern themselves.

The Filipinos have exhibited such ability to govern themselves. Prior to the Japanese invasion the Filipinos were carrying on virtually their entire government and doing it successfully. Had there been no war with Japan the problem of transition from their existing status to complete independence would have been relatively simple. The ravages of war with Japan have completely altered this happy prospect. When the Philippines do become independent next July, they will start on the road to independence with a country whose commerce, trade, and political institutions have been very, very seriously damaged. Years of rebuilding are necessary before the former physical condition of the islands can be restored. Factories, homes, government and commercial buildings, roads, bridges, docks, harbors and the like are in need of complete reconstruction or widespread repairs. It will be quite some while before the Philippines can produce sufficient food with which to sustain themselves.

The internal revenues of the country have been greatly diminished by war. Much of the assessable property basis has been destroyed.

Foreign trade has vanished. Internal commerce is but a fraction of what it used to be. Machinery, farming implements, ships, bus and truck lines, interisland transportation and communications have been wrecked.

To give the Filipinos independence on July 4, 1946 and in such a state as they now are without any assistance toward rehabilitation would be to put upon them such burdens as to make that independence doubtful of achievement.

The present bill takes into account this situation and attempts through various means to assist the Filipino people and nation to regain a sound foundation from whence they can hope to achieve real political and economical stability and independence.

The Filipinos have been loyal to us during these trying years. They have died by our side. Almost to the man and woman they have carried on the long battle without complaint, and with valor and determination. Through their cooperation and assistance the length of the war has been greatly shortened. This has meant the saving to us, not only of countless treasure that otherwise would have been expended in a long war, but it has been a means of saving the lives of countless thousands of Americans and the saving of other thousands from serious and permanent wounds and incapacities which would otherwise have been received on the battlefield.

Politically, economically, and strategically the Philippines are a great outpost of this Nation. They stand as a strong rock of democracy in the Far East and as an example of justice and fair dealing between nations. Our long experiment and humane effort to bring them to ultimate and complete independence must not be confronted with the hazard of failure because of the ravages of the war. This bill endeavors to make their independence as successful as we can make it.

Through the Philippines, America is interpreted to the people of Asia and Africa and to the islands of the Pacific Ocean. Because of our work and accomplishments in the Philippines, America is respected and revered as a Nation not bent on the exploitation of weaker peoples. We have proved we are not a nation hungry for the acquisition of more territory. We are not looked upon as an absentee landlord. Instead we are viewed by all people as a great nation that carries with its greatness even-handed justice to those who are not so powerful. Because of our conduct in the Philippines, there is a lesson for all to read; that this is not a nation of mere words, but a nation whose acts conform to its words—a nation that values justice and fairness, cooperation, and mutual helpfulness more than it does its ability to inflict its might on other peoples.

When we have done the task for which this bill sets up the means and the machinery, we will have brought our work to an approximate conclusion. We will have kept our word. We will have enhanced the friendship, not only between the Filipinos and ourselves, but between all the peoples of Asia and South America and ourselves. We will have acted fully within the American tradition of fair dealing with other nations.

We must not forget the long years we have worked side by side with the Filipinos, looking to their independence on July 4, 1946. We

must not and will not be ungrateful for their loyalty, friendship, and heroic sacrifice in some of the most bitter and tragic hours in the world's history. This bill is an evidence of our appreciation, affection, regard, and of our good wishes for their future. When we have made it into law, we can have the proud satisfaction that we did not withdraw our efforts to aid a loyal and deserving people until we had accomplished what we started out to do 45 years ago. For all these reasons and others that readily express themselves, this bill is unanimously reported from the Committee on Territories and Insular Affairs of the Senate with the recommendation that the bill do pass.

Following is a detailed report of the damages in the Philippines and the reason why the legislation is proposed in S. 1610.

*Recapitulation of all losses in Philippine Islands and estimated number of claims*

[United States currency]

	Total loss	Estimated number of claims
Public property.....	\$195,347,595	1,000
Catholic property.....	125,000,000	100
Other church properties.....	14,000,000	15
Private properties <sup>1</sup> .....	464,420,000	738,000
Grand total.....	798,767,595	739,115

<sup>1</sup> This includes automobile losses.

### PRINCIPAL DAMAGED AREAS SURVEYED

A block-by-block check was made of the damaged areas in five out of eight of the chartered cities; namely, Manila, Cebu City, Iloilo, Bacolod, and Zamboanga. A tour of Baguio was also made, but a block-by-block check was not possible due to the lack of a suitable map. Davao could not be reached on our trip to Mindanao Island owing to temporary grounding of planes due to peace negotiations. Tagaytay was not visited as it is a chartered city of very little importance. The chartered cities represent about 40 percent of the property values of the entire Commonwealth, and a check of the damaged areas in six of these cities is indicative of the damage sustained in other cities in the islands. Maps of the following cities are contained in the appendix showing the areas damaged. Some photographs are also included in the appendix.

City	Island	Area damaged	Appendix exhibits
		<i>Percent</i>	
Manila <sup>1</sup> .....	Luzon.....	50	A
Cebu City.....	Cebu.....	70	B
Iloilo.....	Panay.....	75	C
Bacolod.....	Negros.....	35	D
Zamboanga.....	Mindanao.....	90	E
Davao <sup>2</sup> .....	do.....	85	F

<sup>1</sup> See also large map in back-cover pocket.

<sup>2</sup> According to aerial photographs and verbal reports.

## PUBLIC PROPERTIES—ALL ISLANDS

The political divisions of the Commonwealth are as follows: The national government; the provincial governments; the chartered cities (which are separate from the provinces or municipalities); and municipal governments. The public corporations are as follows: Manila Hotel Co., Manila Railroad Co., National Power Board, and National Development Co., of which the following are subsidiaries: Insular Sugar Refining Corp, National Food Products Corp., National Footwear Corp., National Warehousing Corp., Peoples Home-site Corp., Cebu Portland Cement Co., and National Rice & Corn Corp.

The annexed schedule sets forth the break-down of values and losses showing items excluded from our estimates. In checking public-property losses in various cities which we visited, it appeared to us that the public officials in many cases exaggerated the amount of loss. Furthermore, no depreciation has been charged against the properties. The total claim as submitted by Mr. Licaros was \$233,363,013. After taking out intangibles and items enumerated in schedule, we determined the loss to be \$195,347,595. Cost of highways represent about \$50,000,000 of this amount, and if this were deducted, and a 25-percent depreciation over all applied, public property losses would be about \$109,000,000.

Only a small part of the physical damage to these properties occurred previous to July 1, 1942. An estimate of the amount is about \$20,000,000.



*Public properties—Values and losses*

[All sums are stated in United States currency]

	National government		Provincial governments, including hospitals		Chartered cities		Municipal governments	
	Value	Loss	Value	Loss	Value	Loss	Value	Loss
Buildings and improvements <sup>1</sup> -----	\$33,997,525	\$29,807,500	\$13,991,125	\$1,753,250	\$7,266,300	\$983,200	\$46,526,000	\$5,900,000
Docks and wharves <sup>2</sup> -----	15,710,625	9,392,350	426,675	426,500	9,650	9,650	353,450	379,500
Communications and electric plant <sup>3</sup> -----	2,764,875	2,764,875	1,080,000	80,250	974,000	325,000	330,000	61,000
Pumping stations <sup>4</sup> -----	175,000	50,000						
Highway bridges <sup>5</sup> -----	32,992,000	27,000,000	79,303,750	34,300,000	9,416,850	3,500,000	4,606,825	1,700,000
Watercraft-----	3,695,650	3,695,650	142,700	6,000	6,000	6,000	35,700	35,700
Land transportation <sup>6</sup> -----	3,107,900	3,107,850	97,850	97,850	8,600	8,600	28,600	28,600
Machinery, tools, furniture-----	15,287,700	15,287,700	4,915,200	4,915,200	1,891,600	1,891,600	9,295,500	9,295,500
Technical and scientific equipment-----	1,848,750	1,848,750	403,200	403,200	98,300	98,300	77,000	77,000
Fire-fighting equipment-----	63,450	63,400	8,750	8,750	539,600	539,600	123,250	123,250
Communications and electric equipment-----	1,149,750	1,149,750	106,150	106,150	55,500	55,500	48,000	48,000
Aircraft-----	899,500	899,500						
Breeding animals-----	156,750	156,750						
Supplies and materials-----	7,337,350	7,337,350	366,520	366,520	88,750	88,750	42,530	42,530
Ties and rails-----								
Total-----	116,186,825	99,561,425	100,841,920	42,605,370	20,355,150	7,503,200	61,576,855	17,691,080

See footnotes on p. 8.

## Public properties—Values and losses—Continued

[All sums are stated in United States currency]

	Metropolitan water district		Manila Hotel Co.		Manila R. R. Co.		National Power Co.		National Development Co.		Grand total loss
	Value	Loss	Value	Loss	Value	Loss	Value	Loss	Value	Loss	
Buildings and improvements 1.....	\$430,000	\$172,350	\$740,600	\$662,500	(8)	\$1,500,000	(8)	\$475,000	\$3,208,800	\$1,403,000	-----
Docks and wharves 2.....	-----	-----	-----	-----	(8)	250,000	(8)	-----	-----	-----	-----
Communications and electric plant 3.....	4,400	2,750	62,500	62,500	(8)	445,000	(8)	-----	-----	-----	-----
Pumping stations 4.....	-----	-----	-----	-----	(8)	200,000	(8)	-----	-----	-----	-----
Highway bridges 5.....	700,300	80,000	-----	-----	(8)	1,500,000	(8)	-----	-----	-----	-----
Watercraft.....	750	750	-----	-----	(8)	350,000	(8)	-----	-----	-----	-----
Land transportation 6.....	1,900	1,900	-----	-----	(8)	10,675,000	(8)	-----	-----	-----	-----
Machinery, tools, furniture.....	179,800	179,800	625,000	625,000	(8)	480,000	(8)	150,000	6,119,000	2,327,200	-----
Technical and scientific equipment.....	43,000	40,000	-----	-----	(8)	-----	(8)	-----	-----	-----	-----
Fire-fighting equipment.....	150	150	-----	-----	(8)	-----	(8)	-----	-----	-----	-----
Communications and electric equipment.....	1,250	750	-----	-----	(8)	-----	(8)	-----	-----	-----	-----
Aircraft.....	-----	-----	-----	-----	(8)	-----	(8)	-----	-----	-----	-----
Breeding animals.....	-----	-----	-----	-----	(8)	-----	(8)	-----	-----	-----	-----
Supplies and materials.....	282,370	282,370	100,000	100,000	(8)	1,750,000	(8)	-----	6,122,650	3,267,500	-----
Ties and rails.....	-----	-----	-----	-----	(8)	1,000,000	(8)	-----	-----	-----	-----
Total.....	1,643,920	760,820	1,528,100	1,450,000	(8)	18,150,000	(8)	625,000	15,450,450	6,997,700	\$195,347,595

1 Excludes parks and monuments.

2 Excludes lighthouses, beacons, harbor and waterway improvements.

3 Includes cable lines.

4 Excludes bead controls, reservoirs, conduits, and sewers.

5 Includes public works under construction.

6 Excludes motor vehicles.

7 Includes all subsidiaries as follows: Sabani Estate, Textile Mills, Malangas Coal Field, Petroleum Technical Committee, Insular Sugar Refining Corp., National Food Products Corp., National Footwear Corp., National Warehousing Corp., Peoples Homeste, Cebu Portland Cement Co., National Rice &amp; Corn Corp.

8 Not determined.

NOTE.—Industrial and scientific exhibits and ordinance excluded. Above figures based on book statement of costs—No depreciation considered.

## CATHOLIC PROPERTIES—ALL ISLANDS

After conferring with various church officials, we found that Father John F. Hurley, S. J., secretary general of the Catholic Welfare Organization of the Philippines, was assembling the data on losses for the various orders. He was being assisted by Father Breun, of the Belgian Fathers, and we had various conferences with them. Only a small portion of the orders had sent in details of their losses, but using those received as a basis, the total losses on all Catholic properties was estimated to be \$125,000,000. Annexed schedule sets forth the details of losses for those orders which had filed their claims previous to our leaving the islands.

Ownership of properties is vested in the different orders and the Archbishop. There are a total of 18 orders of Fathers and Brothers, and 21 orders of Sisters. In addition there are the parish properties. A considerable portion of the value of the church was in the intramuros or old walled city of Manila, and as this district was almost completely destroyed, losses there are practically total.

George Koster, prominent contractor in Manila, prepared a detailed estimate for us on the loss for the corporation of the Dominican Fathers, which detail is attached. We believed this would be of interest as it shows the high values of the contents. The libraries are valued quite highly and the question arises as to actual value of old books, statuary which has historical value, and kindred items. The question also arises as to the actual value of churches, convents, and buildings which are 300 to 400 years old.

As regards the loss which occurred prior to July 1, 1942, Father Hurley believed it would be about 10 percent or \$12,500,000.

Catholic properties represent 80 to 85 percent of the total value of all religious properties. In view of the small percentage of value for other religious properties, we did not interview any officials of the Protestant churches but have estimated their losses on basis of Catholic property values. Loss on church properties other than Catholic is about \$14,000,000.

*Catholic Church—Values and losses*

Orders	Building losses	Contents losses	Total
Corporation of Dominican Fathers:			
University of Santa Tomas:			
Walled City, Manila.....	\$335,707	\$36,499	\$372,206
Sampaloc, Manila.....	40,000	84,000	124,000
San Juan DeLaetran College, Manila.....	302,582	43,438	346,020
Santo Domingo Church and Convent, Manila.....	635,375	436,379	1,071,754
Santa Catalina College, Manila.....	251,650	114,124	365,774
Residential houses, Manila.....	31,150		31,150
Dominican Hill, Baguio.....	66,500	20,730	87,230
Church and convent:			
San Juan Del Monte.....	500		500
Manaoag, Pangasenian Province.....	25,000	2,500	27,500
Augustinian Fathers.....			1,250,078
Augustinian Recollect Order.....			696,680
Assumption Mothers.....			404,200
Beaterio Sisters.....			379,507
Belgian Fathers.....			60,876
Belgian Sisters.....			618,510
Benedictine Fathers.....			44,698
Benedictine Sisters.....			458,398
Brothers of the Christian Schools.....			139,521
Capuchin Fathers.....			104,912
Carmelite Sisters.....			1,200

*Catholic Church—Values and losses—Continued*

Orders	Building losses	Contents losses	Total
Clarist Sisters.....	-----	-----	\$658,000
Columban Fathers.....	-----	-----	12,338
Columban Sisters.....	-----	-----	402,758
Franciscan Fathers.....	-----	-----	866,698
Franciscan Missionaries of Mary.....	-----	-----	130,756
Franciscan Sisters of the Immaculate Conception.....	-----	-----	8,126
Good Shepherd Convent.....	-----	-----	158,502
Holy Ghost Sisters.....	-----	-----	40,870
Institute De Hermanos Agustinas.....	-----	-----	81,722
Italian Fathers.....	-----	-----	61,750
Italian Sisters.....	-----	-----	21,905
Maryknoll Sisters.....	-----	-----	74,340
Missionary Sisters of the Immaculate Conception.....	-----	-----	4,962
P. P. Pauls Fathers.....	-----	-----	413,000
Redemptionist Fathers.....	-----	-----	19,345
Sacred Heart Missionaries.....	-----	-----	10,871
St. Paul's Sisters.....	-----	-----	745,805
Sisters of Charity.....	-----	-----	902,002
Society of Jesus.....	-----	-----	1,497,655
Society of the Divine Word.....	-----	-----	4,335
Balance of orders (Fathers, Brothers, Sisters) and archbishops.....	-----	-----	112,299,552
Total loss, Catholic properties.....	-----	-----	125,000,000

## PRIVATE PROPERTY—ALL ISLANDS

The method of determination of losses in Manila and other chartered cities is covered under other sections of this report. In estimating the losses on the balance of the islands we have used the 1939 Census of the Philippines, Real Property, Special Bulletin No. 3, compiled and published by the Commonwealth Commission of the Census and issued in 1941. This gives the assessed values of buildings segregated according to public and private ownership in the various provinces and also ownership by nationals and various church denominations. While undoubtedly there was some increase in values due to new building between 1939 and 1941, various officials informed us that the amount of increase would not materially affect the over-all figure for the purpose of a general survey. This factor should be kept in mind, however, for it would tend to give us a minimum figure on buildings. Another factor affecting our estimate of loss is the basis of assessed value. Under the law it is supposed to be the true value of the building. The general opinion of officials interviewed was that assessed value actually represented only 60 to 70 percent of actual value. The law mentioned is covered under the section on Assessment Act of Real Property. The matter of construction and costs and variance between cost and assessed value is covered under the section on construction costs.

The determination of losses on private personal property has been estimated by us as there is no taxation thereon, so we have no actual basis from which to start. We wrote to all of the provincial governors, as per attached <sup>1</sup> form letter, but due to inaccessibility of some of the Provinces, slowness of mail throughout the islands, and the fact that many of the governors (all of whom were appointed by President Osmena after the reoccupation) had had little or no direct connection with the government previous to their appointment, the returns to these letters were disappointing. Some governors apparently believed we wanted only their personal claims; others only

<sup>1</sup> Included in original only.



procured some individual claims in their province; and most of them made no return whatsoever.

WAR DAMAGE CORPORATION  
(An agency of the U. S. Government)  
Washington, D. C.

MANILA, P. I., July 17, 1945.

PROVINCIAL GOVERNOR.

DEAR SIR: We are making a survey of the war damage for the WDC. This is a stupendous undertaking, and as we expect to leave for Washington about September 1, it is necessary for us to call on the officials of the various provinces for help. We are enclosing a questionnaire and will greatly appreciate your answering the questions as correctly as you can. Your help in this matter will be vital to the interests of your province and all the islands.

The reason for separating the losses up to July 1, 1942, and after that date is because the present law covers damages only to July 1, 1942. Looting, requisition, and confiscation by the Japanese armed forces should be treated as war damage, for the purpose of this survey. It might be well to segregate according to municipalities. Values and losses for the chartered cities should not be included as we are procuring this information from another source.

Your early reply will assist us in presenting a complete and comprehensive survey and will be for the public good. We wish to caution you that conservative estimates should be made. Your replies will be treated confidentially and your estimates will not be binding, for when and if adjustments are made, each claim will be treated individually on its merits.

We will be grateful to you for an early reply.

Yours very truly,

R. R. MOE,  
*Special Investigator, War Damage Corporation.*

*Information desired*

(Show values as of and on basis of 1941 prices)

1. Personal property such as—	Value in pesos	Percentage of loss	
		Previous to July 1, 1942	After July 1, 1942
(a) Stocks of merchandise and raw materials.....			
(b) Household goods.....			
(c) Growing crops.....			
(d) Carabaos.....			
(e) Farm implements.....			
(f) Other personal property.....			

2. Buildings	Previous to July 1, 1942		After July 1, 1942		Values not necessary as we are using census of 1939 as basis of value
	Public buildings percent of loss	Private, percent of loss	Public buildings percent of loss	Private, percent of loss	

3. What increase was there due to new buildings between 1939-41.....	
4. What is percentage of assessed value to actual value.....	

We have used the returns we received from the various chambers and from those provincial governors who gave us a complete report as a guide in estimating losses in the other Provinces. As a further source of information, we had Jose Zulueta, speaker of the house, procure from the various congressmen from the Provinces, a percentage estimate of total damage throughout their Province. This was of value in our estimating the losses and was possible as all congressmen met at Manila shortly before we left. From the above facts, the Corporation will realize that the loss on private personal property is a rough estimate. Automobile losses are included in these figures.

Annexed schedule sets forth losses on private buildings and personal property by islands (chartered cities and Provinces). The total estimated loss is shown as \$464,420,000.

The apparent discrepancy in the ratio between building values and personal property may be accounted for by the fact that assessed value of buildings is low, while the estimate of value and loss on personal property as furnished us by officials and chambers is undoubtedly exaggerated.

We have set forth in annexed schedule the percentage of ownership of buildings by nationals. Ownership of personal property would undoubtedly be at variance with these percentages and would probably be about the same for all the islands as shown for Manila, which is as follows:

	<i>Percent</i>		<i>Percent</i>
Filipino.....	33.3	Spanish.....	2
American.....	30	Swiss.....	1
Chinese.....	29	All others.....	.5
British.....	4.2		

## Private property—Values and losses

[In United States currency]

	Buildings		Personal property		Total buildings and personal property		Population	Number of buildings	Number of claims
	Value	Loss	Value	Loss	Value	Loss			
Island of Luzon:									
City of Baguio.....	\$3,387,000	\$2,600,000	\$7,750,000	\$6,000,000			24,117	1,352	5,000
City of Manila.....	78,051,500	40,000,000	200,000,000	150,000,000			623,492	32,192	80,000
Provinces (24).....	87,500,000	27,000,000	96,000,000	74,000,000			6,918,797	816,100	185,000
Island of Cebu:									
City of Cebu.....	9,534,750	8,000,000	17,600,000	13,200,000			146,817	14,918	14,000
Province (1).....	6,220,745	3,600,000	5,200,000	4,500,000			921,261	78,461	70,000
Island of Negros:									
City of Bacolod.....	6,060,730	2,500,000	12,500,000	6,000,000			57,474	3,362	1,000
Provinces (2).....	32,229,925	24,000,000	30,400,000	21,000,000			1,162,064	61,262	50,000
Island of Panay:									
City of Iloilo.....	7,846,255	5,500,000	16,000,000	12,000,000			90,480	9,741	8,000
Province (3).....	10,572,575	6,400,000	10,600,000	8,000,000			1,253,241	124,409	88,000
Island of Mindanao:									
City of Davao.....	4,076,225	3,600,000	8,700,000	7,200,000			95,546	11,673	10,000
City of Zamboanga.....	1,825,845	1,550,000	3,600,000	3,400,000			131,455	6,951	7,000
Provinces (9).....	10,114,040	4,570,000	11,800,000	9,700,000			1,770,303	93,525	50,000
All other islands (10): Provinces (10).....	15,578,915	9,500,000	12,500,000	8,600,000			2,890,256	215,789	150,000
Automobiles <sup>1</sup> .....									20,000
Total.....	273,038,505	140,820,000	432,650,000	323,600,000	\$705,688,505	\$464,420,000	16,000,303	1,469,765	738,000

Ownership of buildings by nationals: <sup>2</sup>

	Percent	Ownership of buildings by nationals—Continued <sup>2</sup>			Percent
Filipino.....	63	Chinese.....			5.7
American.....	14.7	Enemy.....			4.2
Spanish.....	10.5	All others.....			1.9

<sup>1</sup> Automobile values and losses are included in personal-property figures.<sup>2</sup> Percentage of ownership of buildings by nationals based on real property census of the Philippines, Special Bulletin No. 3, 1939.

## CITY OF MANILA—PRIVATE BUILDINGS

The area destroyed or badly damaged in the city of Manila covers 613 city blocks containing approximately 11,000 buildings. An inspection of individual buildings in 407 blocks, and a block check on the other 206 blocks, has been made. We have obtained from the city assessor the valuation plan and assessment roll showing ownership and assessed value of all buildings in the involved area, and based on the assessed value we believe that the loss to privately owned buildings in the city will amount to \$40,000,000. While there is some variation between assessed and actual value, we believe that in view of the existing law referred to under another section of this report, the assessed value should be one of the limitations applied on all building losses, and our estimates have been predicated on this assumption. In order to check the correctness of our estimated loss we employed a reliable structural engineer and instructed him to submit figures on his opinion of loss to nine buildings in the Binondo or financial district. These buildings have a value of approximately \$1,500,000 or 13 percent of the total value of the district, and when the engineer's figures were received the change in our estimated loss in the Binondo district was less than \$5,000 or approximately one-twentieth of 1 percent.

There is some damage in all districts in Manila but the most valuable sections have been practically destroyed. The port area and the Santa Cruz district have suffered a 90-percent loss; Malate and Intramuros, 93 percent; Pao, Ermita, and Binondo, from 68 to 85 percent. Most of the damage occurred when the Japanese were driven from the city in December 1944 and January 1945. As the Japs withdrew they deliberately set fire to most of the buildings in the financial, retail, and high-class apartment and residential districts.

While it is impossible to accurately determine the loss which occurred before July 1, 1942, we do not believe that it would amount to 10 percent of the estimated building loss for the city of Manila.

## CITY OF MANILA—PRIVATELY OWNED FURNITURE, MERCHANDISE AND EQUIPMENT

The problem of estimating the loss to contents has been our most difficult one and the figures are submitted with the understanding that they were obtained from the most reliable sources available, and the method used was the best that we were able to devise.

A meeting was called at our quarters and two representatives of all the chambers of commerce and the consuls of all Nations were invited and requested to obtain estimates on probable contents losses suffered by their members or nationals. In addition to the property actually destroyed by fire and explosion, there is a considerable contents loss due to confiscation by the Japanese and looting by the native population at the time the Japanese originally occupied the city early in 1942, also at the time the American forces recaptured it in 1945. A much larger proportion of the contents loss occurred before July 1, 1942, and we would estimate that at least 50 percent of the loss occurred prior to that date.



Providing some restrictions and limitations are included in the directive, we believe that the total loss to all contents items in the city of Manila will amount to \$150,000,000, and there will probably be 70,000 claims filed.

It is reported that before our forces withdrew from Manila, merchandise in a number of warehouses was requisitioned by the United States Army, so a portion of the contents loss may be paid out of Army funds.

Of this total estimate of \$150,000,000—

	<i>Percent</i>		<i>Percent</i>
Owned by Filipinos.....	33.3	Owned by Swiss.....	1
Owned by Americans.....	30	Owned by Spanish.....	2
Owned by Chinese.....	29	Owned by all others.....	.5
Owned by British citizens.....	4.2		

#### ISLAND OF LUZON (EXCLUDING MANILA BUT INCLUDING BAGUIO)— PRIVATE PROPERTY

We have visited 7 of the 24 Provinces on the island of Luzon and have obtained estimates from government officials in these Provinces. The Provinces inspected contain approximately 43.8 percent of all buildings, 39.6 percent of the population, and 46.5 percent of the assessed value of all buildings on the island. The estimates furnished by the provincial officials indicate a loss to buildings and contents of \$60,000,000 in these seven Provinces.

On the basis of the total buildings on the island the loss to buildings and contents if in this same proportion would be \$137,000,000. On the basis of total population the loss would be \$151,000,000, and on the basis of assessed value it would be \$129,000,000. We are, however, inclined to believe that the estimates furnished are high and that while all of the Provinces suffered damage, some of them were not as seriously affected as the Provinces inspected.

On the island of Luzon, excluding Manila, there will probably be 190,000 claims, and we believe that the total loss will amount to \$109,600,000. Of this total the city of Baguio has an estimated loss of \$8,600,000 and will have about 5,000 claims.

If it is necessary to divide the amount we believe that about 20 percent of the loss occurred before July 1, 1942.

#### AUTOMOBILES—ALL ISLANDS

It is reported that of the 50,000 automobiles in the islands, there are only 10 percent left. The number of automobiles lost from all causes from December 6, 1941, to January 1945 is, therefore, 45,000. Of this total a considerable portion was requisitioned by the Japanese and paid for with their invasion money. This currency had a value up to the time of the occupation of the islands by the American forces, and some of the individuals surrendering their cars received a proper return, the ultimate losers being the people who held the currency when the Japs were driven out.

Providing some limitation is placed on the value of each car, we believe the total loss to motor vehicles will amount to \$30,000,000. This amount is included in the loss on private property.



## LOSSES OCCURRING PRIOR TO JULY 1, 1942—ALL ISLANDS

Of the total estimated loss in all islands, we believe that about 38 percent, or \$305,000,000, occurred before July 1, 1942. There is no accurate method of determining any division as to dates, as a large number of property owners were either interned or away at the time the damage occurred. We are informed that there were some bombs dropped and several fires started in Manila, and that the cities of Dagupan (population, 32,000), Davao (population, 96,000), Cebu (population, 147,000), and Iloilo (population, 90,000) were all badly damaged when the islands were originally captured by the Japanese.

Automobiles, merchandise, and furniture were confiscated by the Japanese wherever or whenever needed during their 4 years of occupation, and the absent owners would not receive any notice of the actual date of loss. A number of influential citizens have intimated that it is their intention to claim that all loss occurred before July 1, 1942, as they lost custody and control of their property as soon as the Japanese came in. There may be some merit to this contention as far as contents items are concerned, but we doubt if the position could be successfully maintained on any building losses.

If it is necessary to decide the losses as to dates every effort will be made by the claimants to show that loss occurred before July 1, 1942, and it will be difficult, if not impossible, in a number of cases for the adjusters to determine the actual date. This will add one more complication to a task that will be difficult enough at best, and if there is any way to avoid the necessity of determining actual dates we would recommend its adoption.

## PRINCIPAL INDUSTRIES

We endeavored to obtain the damage to the principal industries in the Philippines, but succeeded in obtaining data on the following only: Cigar and cigarette; public utilities; mines; sugar; mineral and vegetable oil.

No specific information was obtained on the hemp industry.

## CIGAR AND CIGARETTE MANUFACTURERS

The secretary of the Tobacco Association wrote to the following companies at our request, asking for information pertaining to the losses sustained by them:

B. B. B. y La Ideal.	La Ciudad de Nankin.
Helena Cigar Co.	La Insular Cigar & Cigarette Factory, Inc.
La Paz y Buen Via je.	La Grandeza.
Katubusan.	Philippine Aromatic.
La Felicidad.	New Philippines.
Alhambra Cigar & Cigarette Manufacturing Co.	La Favorita.
La Estrella de Filipinas.	Buena Suerte.
La Nobleza.	El Oriente Fabrica de Tabacos, Inc.

Answers were obtained from only six of the companies, and the information submitted is set forth on the annexed schedule.

During the Japanese occupation leaf tobacco became a monopoly of Kokusai Shoji Kaisha, who worked in close cooperation with Bunning & Co., Inc., a German firm. In 1943 the Philippine Leaf Tobacco Association was formed by the Japanese military. This organization assumed control over the entire tobacco industry.

*Report on war losses sustained by cigar and cigarette manufacturers in Manila*

[Figures are stated in pesos; rate of exchange ₱2 to \$1 United States currency]

Name of factory	Stock of leaf - tobacco	Stock of manufactured tobacco	Materials	Machineries	Transporta- tion	Furniture	Miscella- neous	Total
Losses prior to July 1, 1942:								
La Flor de la Isabela					4,516.47			4,516.47
La Nobleza					1,400.00			1,400.00
Le Yebana					14,000.00			14,000.00
B. B. B.	151,632.20	151,632.20	34,204.60	16,601.24	4,000.00	16,601.24		374,671.48
Total	151,632.20	151,632.20	34,204.60	16,601.24	23,916.47	16,601.24		394,587.95
Losses after July 1, 1942:								
La Flor de la Isabela	436,779.20	156,554.83	191,733.98	284,510.10		33,829.41	25,729.41	1,129,136.93
La Nobleza	2,767.68				2,740.00		38,869.40	44,377.08
La Yebana	30,000.00	30,000.00	30,000.00	200,000.00	6,000.00	50,000.00		346,000.00
La Diana, La Pazy Buen Viaje	110,096.25	14,729.78	32,007.64		9,156.47			165,990.14
B. B. B.	49,360.00	49,360.00	27,432.50	14,941.12		14,941.11	182,751.00	338,785.73
La Insular	435,000.00			550,000.00		33,000.00		1,018,000.00
Total	1,064,003.13	250,644.61	281,174.12	1,049,451.22	17,896.47	131,770.52	247,349.81	3,042,289.88

NOTE.—Approximate loss \$1,500,000 United States currency.  
Manila, Aug. 18, 1945.

## PUBLIC UTILITIES

The following are the principal public utilities in the Philippines, with a résumé of their operations, values, and losses. These figures have been included in the grand total as shown.

*Cagayan Electric Power & Light Co.*

This corporation produces and sells electric power in Cagayan, Misamis Oriental Province, Island of Luzon. Value and loss of their buildings, equipment, poles, transmission and distribution system was \$60,000. All records were destroyed and as fighting is still going on in this locality no personal inspection has been made by the president and general manager, Angel Chaves, from whom this information was obtained. Destruction occurred May 3, 1942, and was done by the United States Army to prevent it falling into enemy hands.

*Manila Electric Co.*

All stock of this corporation is owned by the Associated Electric Co., of New York. H. P. Jolly is vice president and acting manager and our information was obtained from him and his assistant treasurer, J. F. Cottam. They saved their book records of values. This corporation operated the power and distribution systems in Manila and suburbs, Antimonan, Bicol, Cavite, Dagupan, Gapan, La Union, Lucena, Malolos, Meycawayan, Noveleta, Malabon, San Jose, Santa Rosa, Tarlac, and adjoining barrios. They also operated the transportation system in Manila, which comprised both trolley cars and busses. The book value of the buildings and equipment is \$17,080,000, and estimated total loss \$12,000,000. The streetcars and busses had a total value and loss of \$4,150,000. The corporation owns a subsidiary, called Escudero Electric Co., serving San Pablo and the value of its buildings and equipment was \$7,750,000 with a loss of \$1,937,500. Total value of all the corporation properties, therefore, is \$36,730,000, and the loss \$18,087,500. The loss previous to July 1, 1942, is estimated to be about \$1,000,000. This was due to the Army destroying all busses, and the fire caused by burning gasoline on the Pasig River.

*The Manila Gas Corp.*

All stock is owned by the Island Gas & Electric Co., a Stone & Webster subsidiary. We procured our information regarding this corporation from E. Arthur Perkins, secretary (a local attorney), and Kurt Gantner, a Swiss, who was chief clerk and looked after the company's affairs during the occupation. The book value of corporation buildings and equipment is about \$4,500,000 with estimated loss of \$1,450,000. As this plant was taken over by the Japanese upon occupation, Mr. Perkins advances the theory that all loss occurred previous to July 1, 1942. If actual loss only is considered for that period, loss would be about \$500,000 due primarily to Japs seizing \$350,000 worth of coal when they occupied the islands. Mr. Perkins stated they also would have a sizable claim for unpaid balances on appliances sold.



*Philippine Long Distance Telephone Co.*

Forty percent of this corporation's stock is owned by the Associated Telephone & Telegraph Co. of Chicago, the balance being individual owners. Information was procured from T. L. Hall, vice president and assistant manager, and H. P. Mahoney, chief engineer for Associated Telephone & Telegraph Co. Total value as estimated by appraisal firm, as of June 30, 1940, is \$7,800,000, with loss of \$7,000,000. Approximately \$40,000 of this is motor vehicles and \$850,000 is underground cables. Some of the equipment was taken by the Army for their use. Loss previous to July 1, 1942, is estimated at \$690,000.

## MINES

The following is a résumé of mine properties in the Philippines and the estimated loss thereon, which is said to have been incurred prior to July 1, 1942. This information was obtained from Charles A. Nitke, of the Chamber of Commerce of Mines, who has stated that these figures are to be regarded as tentative estimates, as complete investigation of individual mines is impossible at the present time.

*General cost estimate to bring following mines into production*

[Amounts are in pesos; exchange rate: 2 pesos=\$1 United States currency]

	Mine	Mill	Plant and camp	Total
Benguet Consolidated.....	2,000,000	5,000,000	5,000,000	12,000,000
Balatoe.....	2,000,000	8,000,000	6,000,000	16,000,000
Itogon.....	1,000,000	1,500,000	1,500,000	4,000,000
Baguio Gold.....	1,000,000	1,000,000	1,500,000	3,500,000
Antamok Goldfields.....	500,000	1,000,000	1,000,000	2,500,000
Big Wedge-Atok.....	500,000	500,000	1,000,000	2,000,000
Demonstration.....	300,000	500,000	500,000	1,300,000
Lepanto.....	1,000,000	1,100,000	1,500,000	3,600,000
Acoje.....	1,000,000	200,000	1,300,000	2,500,000
Consolidated Mines.....	500,000	-----	500,000	1,000,000
Zambales Chromite.....	200,000	-----	300,000	500,000
Philippine Iron Mines.....	500,000	200,000	800,000	1,500,000
San Maurice.....	500,000	600,000	600,000	1,700,000
United Paracale.....	500,000	600,000	600,000	1,700,000
North Camarines.....	500,000	800,000	500,000	1,800,000
Amal. Minerals.....	300,000	500,000	400,000	1,200,000
Rapu Rapu.....	200,000	-----	300,000	500,000
Treasure Island.....	800,000	900,000	2,200,000	3,900,000
Masbate Consolidated.....	800,000	500,000	500,000	2,100,000
Masbate Goldfields.....	300,000	400,000	300,000	1,000,000
I. X. L. Mining Co.....	400,000	500,000	400,000	1,300,000
Capsay.....	200,000	400,000	300,000	900,000
Surigao Consolidated.....	400,000	500,000	400,000	1,300,000
Paracale Gumao.....	200,000	300,000	300,000	800,000
Mindanao Mother Lode.....	300,000	400,000	400,000	1,100,000
East Mindanao.....	200,000	300,000	300,000	800,000
Suvoc Consolidated.....	400,000	500,000	400,000	1,300,000
Mineral Resources.....	300,000	500,000	400,000	1,200,000
Siquijor.....	300,000	900,000	500,000	1,700,000
Samar Mining Co.....	500,000	-----	900,000	1,400,000
Gold Star Mining Co.....	300,000	-----	600,000	900,000
Davao Mining Co.....	600,000	900,000	800,000	2,300,000
Ipo Mining Co.....	200,000	400,000	300,000	900,000
North Mindanao Min. Co.....	200,000	-----	400,000	600,000
Tanbis Mining Co.....	100,000	-----	200,000	300,000
Mindanao Min. Assn. Inc.....	200,000	-----	400,000	600,000
Pilar Copper Mines.....	100,000	-----	200,000	300,000
Insular Mines (Paracale).....	300,000	-----	500,000	800,000
Coco Grove.....	100,000	-----	1,000,000	1,100,000
All others.....	1,000,000	2,000,000	1,000,000	4,000,000
Total.....	20,700,000	30,900,000	36,300,000	87,900,000
Estimated loss.....	-----	-----	-----	144,000,000

<sup>1</sup> United States currency.



## SUGAR MILLS

The information on sugar mills in the Philippines, on the annexed schedule, was obtained from the director of the Philippines Sugar Administration, whose offices are located in the Malacanan Palace grounds. Most mills were built in the 1920's and are fairly modern. There are two refineries, one of which is government-owned.

The values on buildings and equipment are taken from book statements and are heavily depreciated. Under normal conditions we believe the depreciation taken is too high. But in view of the possibility of the Filipinos being granted their independence, which would create a chaotic condition in the sugar industry, we have not attempted to make any correction in the rates of depreciation.

## MINERAL OIL COMPANIES

The Standard-Vacuum Oil Co. submitted a rough estimate of the total damage to their properties of \$7,500,000 United States currency.

The Asiatic Petroleum Co., Ltd., submitted a rough estimate of the total damage to their properties, excluding service station buildings, residences, and oil delivered to American armed forces, of \$3,275,000 United States currency.

## VEGETABLE-OIL COMPANIES

The following are the principal vegetable-oil companies in the Philippines. The loss on buildings and equipment varies, whereas the loss on stocks is total except in the case of neutral owners:

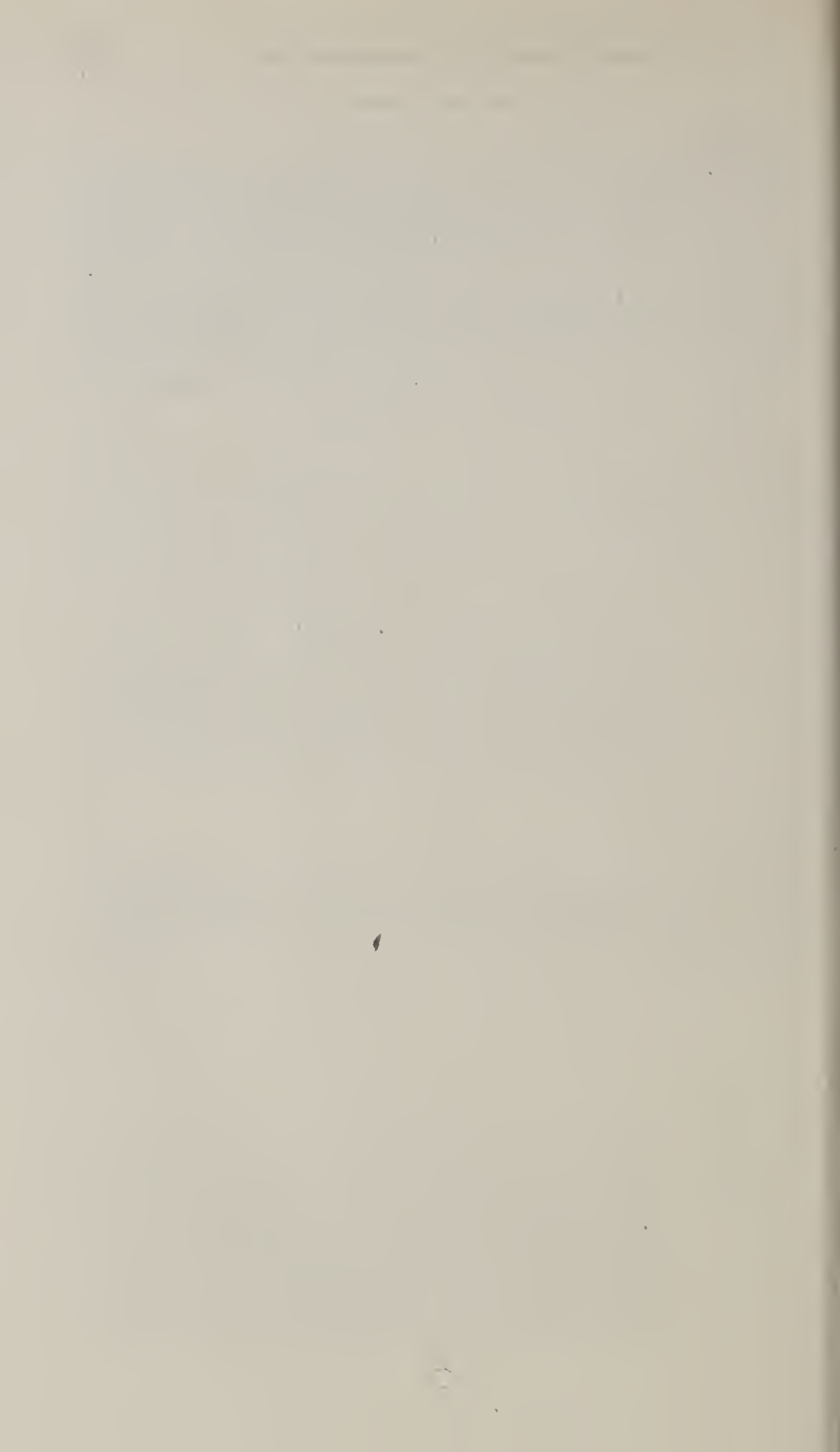
[Amounts are in pesos; rate of exchange: P2=\$1, United States currency]

	Location	Values, build- ings and equipment	Values, stocks
Philippine Refining Co., Inc. (Lever Bros.)	Cebu and Manila	18,800,000	5,000,000
Philippine Manufacturing Co. (Procter & Gamble)	Manila	3,000,000	2,000,000
Spencer Kellogg & Sons	do	10,000,000	2,500,000
Luzon Industrial Co.	do	2,000,000	500,000
Madrigal Oil Mill	Cebu and Manila	10,000,000	2,500,000
International Oil Co.	Manila	1,000,000	500,000
Central Vegetable Oil Co.	do	1,000,000	500,000
Ludus & Yim Co.	Cebu	1,000,000	500,000

[Figures in pesos; rate of exchange, ₱2= \$1 United States currency]

Name of corporation	Central	Location	Capacity, tons per 24 hours	Book value of buildings, machinery, railways, etc.	Book value of stocks on hand	Estimated loss of buildings and equipment, percent
1. Mount Arayat Sugar Co., Inc.	Arayat	Arayat, Pampanga, Luzon	1,000	₱1,275,587	₱45,379	100
2. Asturias Sugar Central, Inc.	Asturias	San Juan, Dumalag, Capiz, Panay	1,350	748,023	186,757	100
3. Bacolod-Murcia Milling Co., Inc.	Bacolod-Murcia	Bacolod, Occ. Negros	3,500	1,614,477	800,333	5
4. Central Azucarera de Bais	Bais	Bais, Oriental Negros	3,500	5,273,808	800,333	2
5. Bataan Sugar Co.	Bataan	Bataan, Bataan, Luzon	3,300	280,333	16,366	100
6. Central Luzon Milling Co., Inc.	Banban	Banban, Tarlac, Luzon	2,200	2,470,567	348,272	6
7. Kabankalan Sugar Co., Inc.	Beaman	Kabankalan, Occ. Negros	850	1,133,988	---	90
8. Binalbagan Estate, Inc.	Binalbagan	Binalbagan, Occ. Negros	3,022	1,614,500	500,000	75
9. Bogo-Medellin Milling Co., Inc.	Bogo-Medellin	Medellin, Cebu	1,000	845,927	60,245	5
10. Calamba Sugar Estate	Calamba	Calumbang, Laguna, Luzon	5,000	5,618,322	551,501	40
11. Luzon Sugar Co.	Calumpit	Calumpit, Bulacan, Luzon	500	137,489	71,096	6
12. Cebu Sugar Co., Inc.	Cebu	Talisay, Cebu	1,000	438,850	82,737	40
13. Central Azucarera del Danao	Danao	Escalante, Occ. Negros	700	747,850	130,794	10
14. Pampanga Sugar Mills	Del Carmen	Del Carmen, Pampanga, Luzon	4,200	914,885	283,750	60
15. Central Azucarera Don Pedro	Don Pedro	Nasugbu, Batangas	2,600	2,455,154	316,519	5
16. Phil. Sugar Estates Dev. Co., Ltd.	El Real	Calamba, Laguna, Luzon	750	332,868	16,684	50
17. Hawaiian-Philippine Co.	Hawaii-Philippines	Silay-Ilaw, Cent., Occ. Negros	3,300	630,745	777,745	80
18. Isabela Sugar Co., Inc.	Isabela	Isabela, Occ. Negros	2,480	2,470,000	348,000	70
19. Philippine Starch & Sugar Co.	Jantuary	Jantuary, Iloilo, Panay	850	238,810	104,965	20
20. Cent. Azucarera de la Carlota	La Carlota	La Carlota, Occ. Negros	4,306	4,718,672	593,571	4
21. Hilos de I. de la Rama & Co., Inc.	Leonor	Escalante, Occ. Negros	400	91,169	167,000	50
22. Lopez Sugar Cent. Mill Co., Inc.	Lopez	Fabrica, Occ. Negros	1,000	1,030,572	166,993	20
23. Ma-ao Sugar Central Co., Inc.	Ma-ao	Ma-ao Central, Occ. Negros	3,000	1,614,000	508,000	50
24. Mabacat Sugar Mills	Mabalacat	Mabalacat, Pampanga, Luzon	256	19,187	339,057	35
25. North Negros Sugar Co., Inc.	Manapla	Manapla, Occ. Negros	3,600	3,115,853	339,057	25
26. Hind Sugar Co.	Manaoag	Manaoag, Pangasinan, Mindanao	400	91,169	16,720	6
27. Philippine Milling Co.	Mindoro	San Jose, Mindoro, Mindanao	1,550	748,000	187,000	5
28. Central Azucarera del Norte	Norie	Candou, Ilcos Sur, Luzon	350	245,870	18,891	20
29. Ormoc Sugar Co.	Ormoc	Ormoc, Leyte	600	175,039	38,971	6
30. Salvador Serra, Proprietor	Palma	Kabankalan, Occ. Negros	600	438,000	83,000	6
31. Paniqui Sugar Mills, Inc.	Paniqui	Paniqui, Tarlac, Luzon	758	481,366	153,973	3
32. Pampanga Sugar Dev. Co., Inc.	Pasudeco	San Fernando, Pampanga, Luzon	4,800	1,933,975	537,178	6
33. Central Azucarera de Pilar	Pilar	Pilar, Capiz, Panay	750	518,294	109,739	5
34. San Carlos Milling Co., Ltd.	San Carlos	San Carlos, Occ. Negros	2,625	1,556,336	489,557	30
35. Vidaurragaza y Mota	San Isidro	Kabankalan, Occ. Negros	630	195,135	71,499	6
36. Hilos de I. de la Rama & Co.	Sta. Anticeta	Bago, Occ. Negros	1,000	45,000	8,500	90
37. Central Santos-Lopez Co., Inc.	Santos-Lopez	Barotac Nuevo, Iloilo, Panay	1,000	685,881	133,958	20
38. Central Sur-Ajuv	Sara-Ajuv	Ajuv, Iloilo, Panay	750	1,383,707	114,584	6
39. Talisay-Silay Milling Co., Inc.	Talisay	Talisay, Occ. Negros	4,000	630,000	778,000	90
40. Central Azucarera de Tarlac	Tarlac	San Miguel, Tarlac, Luzon	6,000	8,634,797	838,575	6
41. Victorias Milling Co., Inc.	Victorias	Victorias, Occ. Negros	2,300	2,905,159	417,464	30

NOTE.—Total estimated loss approximately \$13,000,000.



Calendar No. 761

79TH CONGRESS  
1ST SESSION

**S. 1610**

[Report No. 755]

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 19 (legislative day, OCTOBER 29), 1945

Mr. TYDINGS introduced the following bill: which was read twice and referred to the Committee on Territories and Insular Affairs

NOVEMBER 20 (legislative day, OCTOBER 29), 1945

Reported by Mr. TYDINGS, without amendment

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**A BILL**

To provide for the rehabilitation of the Philippine Islands, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Philippine Rehabili-  
4       tation Act of 1945".

5       **TITLE I—COMPENSATION FOR WAR DAMAGE**

6       SEC. 101. (a) There is hereby established a Philippine  
7       War Damage Commission (in this title referred to as the  
8       "Commission"). The Commission shall consist of three  
9       members, to be appointed by the President of the United  
10      States. One of the members of the Commission shall be a  
11      Filipino. The members of the Commission shall receive com-



1   pensation at the rate of \$10,000 a year. The terms of office  
2   of the members of the Commission shall expire at the time  
3   fixed in subsection (d) for winding up the affairs of the Com-  
4   mission. A vacancy in the membership of the Commission  
5   shall not impair the authority of the remaining two members  
6   of the Commission to exercise all of its functions. Vacancies  
7   occurring in the membership of the Commission shall be filled  
8   in the same manner as in the case of the original selection.  
9   Members of the Commission shall receive their necessary  
10   traveling and other expenses incurred in connection with  
11   their duties as such members, or a per diem allowance in lieu  
12   thereof.

13       (b) The Commission may, without regard to the civil-  
14   service laws or the Classification Act of 1923, as amended,  
15   appoint and fix the compensation of such officers and em-  
16   ployees, and may make such expenditures, as may be neces-  
17   sary to carry out its functions. Officers and employees of  
18   any other department or agency of the Government may,  
19   with the consent of the head of such department or agency,  
20   be assigned to assist the Commission in carrying out its  
21   functions. The Commission may, with the consent of the  
22   head of any other department or agency of the Government,  
23   utilize the facilities and services of such department or agency  
24   in carrying out the functions of the Commission.

25       (c) The Commission may prescribe such rules and

1 regulations as are necessary for carrying out its functions,  
2 and may delegate functions to any member, officer, or em-  
3 ployee of the Commission or of any other department or  
4 agency of the United States or of the Commonwealth of the  
5 Philippines.

6 (d) The Commission shall, so far as practicable, give  
7 consideration to, but need not await, or be bound by, the  
8 recommendations of the Filipino Rehabilitation Commission  
9 (created by the Act approved June 29, 1944) with respect  
10 to Philippine war damage. The Commission shall wind up  
11 its affairs not later than two years after the expiration of  
12 the time for filing claims under this title.

13 SEC. 102. (a) The Commission is hereby authorized to  
14 make compensation to the extent hereinafter provided on  
15 account of physical loss of or damage to property in the  
16 Philippine Islands occurring after December 7, 1941  
17 (Philippine time), and before October 1, 1945, as a result of  
18 one or more of the following perils: (1) Enemy attack (in-  
19 cluding action taken by or at the request of the military,  
20 naval, or air forces of the United States in resisting enemy  
21 attack); (2) action taken by enemy representatives, civil  
22 or military, or by the representatives of any government  
23 cooperating with the enemy; (3) action by the armed forces  
24 of the United States or other forces cooperating with the  
25 armed forces of the United States in expelling the enemy

1 from the Philippine Islands; (4) looting, pillage, or other  
2 lawlessness or disorder accompanying the collapse of civil  
3 authority or incidental to control by enemy forces: *Provided*,  
4 That such compensation shall be payable only to qualified  
5 persons having, on December 7, 1941 (Philippine time),  
6 and continuously to and including the time of loss or damage,  
7 an insurable interest as owner, mortgagee, lien holder, or  
8 pledgee in such property so lost or damaged: *Provided fur-*  
9 *ther*, That any qualified person who acquired any deceased  
10 person's interest in any property either (1) as heir, devisee,  
11 legatee, or distributee, or (2) as executor or administrator  
12 of the estate of any such deceased person for the benefit of  
13 one or more heirs, devisees, legatees, or distributees, all of  
14 whom are qualified persons, shall be deemed to have had  
15 the same interest in such property during such deceased  
16 person's lifetime that such deceased person had: *Provided*  
17 *further*, That no payment or payments shall be made in an  
18 aggregate amount which exceeds whichever of the following  
19 amounts, as determined by the Commission, is less: (a) The  
20 actual cash value, at the time of loss, of property lost or  
21 destroyed and the amount of the actual damage to other  
22 property of the claimant which was damaged as a direct  
23 result of the causes enumerated in this section; (b) the cost  
24 of repairing or rebuilding such lost or damaged property,  
25 or replacing the same with other property of like or similar

1 quality: *Provided further*, That in case the aggregate  
2 amount of the claims which would be payable to any one  
3 claimant under the foregoing provisions exceeds \$500, the  
4 aggregate amount of the claims payable to such claimant  
5 shall be reduced by 25 per centum of the excess over \$500.

6 (b) When used in this section, the term “qualified  
7 person” means—

8 (1) any individual, who on December 7, 1941  
9 (Philippine time), and continuously to the time of filing  
10 claim pursuant to this title, was a citizen of the United  
11 States or of the Philippine Commonwealth or of the  
12 Philippine Republic;

13 (2) any individual, who at any time subsequent  
14 to September 16, 1940, and prior to August 14, 1945,  
15 served honorably in the armed forces of the United  
16 States or of the Philippine Commonwealth, or honorably  
17 performed “service in the merchant marine” (as defined  
18 in the first section of the Act entitled “An Act to  
19 provide reemployment rights for persons who leave their  
20 positions to serve in the merchant marine, and for other  
21 purposes”, approved June 23, 1943) ;

22 (3) any church or other religious organization;  
23 and

24 (4) any corporation (or, upon dissolution, its  
25 successor if it satisfies the requirements of this paragraph



1       (4) ) organized pursuant to the laws of any of the  
2       several States or of the United States or of any Terri-  
3       tory or possession thereof (including any corporation  
4       or sociedad anonima organized pursuant to the laws in  
5       effect in the Philippine Islands at the time of its  
6       organization), but excluding any corporation wholly  
7       owned by the Commonwealth of the Philippines (or  
8       the Philippine Republic).

9       SEC. 103. The Commission shall make no payment  
10      under the provisions of this title—

11               (a) to any enemy alien;

12               (b) to any person who, by a civil or military court  
13      having jurisdiction, has been found guilty of collaborat-  
14      ing with the enemy, or of any act involving disloyalty  
15      to the United States or the Philippine Commonwealth;

16               (c) to any corporation or sociedad anonima owned  
17      or controlled by any of the persons specified in clauses  
18      (a) and (b) of this section;

19               (d) to compensate for any loss of or damage to  
20      property which, at the time of loss or damage, was in-  
21      sured against any one or more of the perils specified in  
22      section 102 hereof, except to the extent that the loss or  
23      damage exceeds the amount of such insurance, whether  
24      or not collectible;

1 (e) to compensate for any loss or damage—

2 (1) for which the War Department or the  
3 Navy Department is authorized to make payment,  
4 or

5 (2) for which compensation or indemnity is  
6 otherwise payable, or has been paid, or is authorized  
7 to be paid, by the Philippine Government or by the  
8 United States Government or by their respective  
9 departments, establishments, or agencies,

10 unless the Government, department, establishment, or  
11 agency concerned has declined to pay compensation or  
12 indemnity for such loss or damage;

13 (f) unless the claimant shall file with the Commis-  
14 sion, within nine months after the enactment hereof, a  
15 claim in reasonable conformity with the requirements of  
16 this title and such reasonable regulations as shall be  
17 established by the Commission.

18 SEC. 104. (a) No claim shall be paid unless approved  
19 by the Commission or its authorized representatives, and on  
20 account of each claim so approved the Commission may make  
21 immediate payment of (1) so much of the approved amount  
22 of the claim as does not exceed five hundred dollars or one  
23 thousand Philippine pesos, plus (2) 80 per centum of the  
24 remainder of the approved amount of the claim. After the

1 time for filing claims has expired, the Commission shall  
2 determine the amount of money available for the further  
3 payment of claims. Such funds shall be applied pro rata  
4 toward the payment of the unpaid balances of the amounts  
5 authorized to be paid pursuant to section 102 of this title.

6 (b) Of the funds appropriated for the purpose of pay-  
7 ing compensation under this title, \$5,000,000 shall be set  
8 aside for the payment of claims filed by churches and other  
9 religious organizations on account of loss of or damage to  
10 property consisting of churches, parish houses, and other  
11 property devoted to religious purposes (excluding schools,  
12 hospitals, and other charitable institutions). Subsection (a)  
13 of this section shall not be applicable with respect to claims  
14 filed by churches and other religious organizations with re-  
15 spect to such property; but, after the time for filing claims  
16 has expired, the funds set aside pursuant to this subsection  
17 shall be applied pro rata toward paying such amounts as  
18 are authorized to be paid pursuant to section 102 with respect  
19 to claims filed by churches and other religious organizations  
20 with respect to such property, and shall be applied without  
21 discrimination to the proportional payment of all allowable  
22 claims filed by churches and other religious organizations  
23 with respect to such property. No payments with respect  
24 to such claims shall be made except from the funds set  
25 aside pursuant to this subsection.

1       (c) The Commission may, at its option, make pay-  
2 ment, in whole or in part, of the amount payable in the  
3 case of any claim authorized to be paid under this title by  
4 rebuilding or repairing lost or damaged property, or re-  
5 placing it with other property of like or similar kind. The  
6 amount expended for such purpose in any case, including  
7 the fair value of property transferred to the claimant, shall  
8 be deemed to have been paid to the claimant on account  
9 of his claim, and such amount shall in no case exceed the  
10 amount authorized to be paid under this title on account  
11 of such claim. The Commission is authorized to acquire  
12 such property, to have such work done, to make such  
13 contracts, and to take such other action as may be necessary  
14 for the purposes of this subsection.

15       (d) All of the provisions of this title shall be subject  
16 to the requirement that, to the fullest extent practicable,  
17 the Commission shall require that the lost or damaged  
18 property be rebuilt, replaced, or repaired before payments  
19 of money are actually made to claimants under this title.

20       SEC. 105. Not later than six months after its organiza-  
21 tion, and every six months thereafter, the Commission shall  
22 make a report to the Congress concerning operations under  
23 this title.

24       SEC. 106. (a) There is hereby authorized to be ap-



1 appropriated, out of any money in the Treasury not otherwise  
2 appropriated, the amount of \$330,000,000 for the purposes  
3 of paying compensation to the extent authorized by this title,  
4 and of such sum, not to exceed \$1,500,000 shall be available  
5 to pay the expenses of the Commission.

6 (b) Any sums received by the United States from the  
7 Japanese Government or the Japanese people by way of  
8 reparations or indemnity on account of the war—

9 (1) shall be covered into the Treasury of the  
10 United States until the sums so covered into the Treasury  
11 are equal to the sum of the amounts appropriated for  
12 the payment of compensation under this title and the  
13 amounts appropriated for carrying out the purposes of  
14 title III of this Act;

15 (2) when the amounts covered into the Treasury  
16 under clause (1) are equal to the amounts so appro-  
17 priated, one-half of any further sums so received by the  
18 United States from the Japanese shall be covered into  
19 the Treasury of the United States and the other one-half  
20 shall be paid to the Government of the Commonwealth  
21 of the Philippines (or the Philippine Republic) until  
22 the amount so paid to such government plus the amounts  
23 appropriated for the payment of compensation under  
24 this title and the amount appropriated for carrying out  
25 the purposes of title III are equal to the amount esti-

1 mated by the Commission to represent the total loss of  
2 and damage to real and tangible personal property in the  
3 Philippine Islands from the causes enumerated in section  
4 102 (a) ; and

5 (3) thereafter shall be covered into the Treasury  
6 of the United States.

7 SEC. 107. Whoever, in the Philippine Islands or else-  
8 where, makes any statement or representation knowing it  
9 to be false, or whoever willfully overvalues loss of or damage  
10 to property for the purpose of obtaining for himself or for  
11 any claimant any compensation pursuant to this title, or for  
12 the purpose of influencing in any way the action of the  
13 Commission with respect to any claim for compensation pur-  
14 suant to this title, or for the purpose of obtaining money,  
15 property, or anything of value under this title, shall, upon  
16 conviction, be punished by a fine of not more than \$5,000 or  
17 by imprisonment for not more than two years, or both.

18 SEC. 108. No remuneration on account of services ren-  
19 dered or to be rendered to or on behalf of any claimant in  
20 connection with any claim for compensation pursuant to this  
21 title shall exceed 5 per centum of the compensation paid by  
22 the Commission on account of such claim. Any agreement  
23 to the contrary shall be unlawful and void. Whoever, in  
24 the Philippine Islands or elsewhere, receives on account of  
25 services rendered or to be rendered in connection with any

1 claims for compensation hereunder, any remuneration in  
2 excess of the maximum permitted by this section shall be  
3 deemed guilty of a misdemeanor and, upon conviction  
4 thereof, shall be fined not more than \$1,000 or imprisoned  
5 for not more than six months, or both.

6 SEC. 109. Except as lawfully provided in policies of in-  
7 surance heretofore or hereafter issued by the War Damage  
8 Corporation pursuant to subsection (a) of section 5g of the  
9 Reconstruction Finance Corporation Act, as amended, the  
10 authority herein granted to the Philippine War Damage  
11 Commission shall be in lieu of and shall supersede all author-  
12 ity previously conferred on the War Damage Corporation  
13 to furnish protection or pay compensation with respect to  
14 property situated, at the time of loss or damage, in the  
15 Philippine Islands, and the protection authorized to be ex-  
16 tended and the compensation authorized to be paid by the  
17 Philippine War Damage Commission shall be in lieu of all  
18 protection heretofore extended or authorized to be extended  
19 by the War Damage Corporation with respect to property  
20 situated, at the time of loss or damage, in the Philippine  
21 Islands, except to the extent provided in policies of insurance  
22 heretofore or hereafter issued by the War Damage Corpo-  
23 ration. The War Damage Corporation is hereby prohibited



1 from providing for or paying compensation for war damage  
2 in the Philippine Islands except to the extent provided in its  
3 policies of insurance heretofore or hereafter issued in con-  
4 sideration of a premium paid therefor.

5 SEC. 110. The classes of property enumerated in this  
6 section, whether situated in the Philippine Islands or else-  
7 where, are hereby excluded from protection, compensation,  
8 or consideration under this title, and the Commission shall  
9 not make any payment, directly or indirectly, on account of  
10 loss of or damage to such classes of property:

11 (1) Accounts, bills, records, films, plans, drawings,  
12 formulas, currency, deeds, evidences of debt, securities,  
13 money, bullion, furs, jewelry, stamps, precious and semi-  
14 precious stones, works of art, antiques, stamp and coin col-  
15 lections, manuscripts, books and printed publications more  
16 than fifty years old, models, curiosities, objects of historical  
17 or scientific interest, and pleasure aircraft;

18 (2) Vessels and watercraft, their cargoes and equip-  
19 ment, except (a) vessels used or intended to be used exclu-  
20 sively for storage, housing, manufacturing, or generating  
21 power, (b) vessels while under construction until delivery  
22 by the builder, or sailing on delivery or trial trip, whichever  
23 shall first occur, and (c) vessels propelled by sail;



1       (3) Real property (other than standing timber, grow-  
2 ing crops, and orchards) not a part of a building or structure;

3       (4) Intangible property;

4       (5) Passenger-carrying motor vehicles except those  
5 used principally for commercial purposes;

6       (6) Property diverted to the Philippine Islands, by  
7 authority of the United States Government or otherwise, as  
8 a result of war conditions; and

9       (7) Property in transit (a) which at the time of loss  
10 or damage was insured against war perils, or (b) with  
11 respect to which insurance against such perils was available,  
12 at the time of loss or damage either at reasonable commer-  
13 cial rates or from the United States Maritime Commission.

14       SEC. 111. All departments, commissions, offices, agen-  
15 cies, and instrumentalities of the United States Government,  
16 upon the written request of the Commission, are authorized  
17 to make delivery and conveyance to designated claimants,  
18 or to the Commission, of any surplus property of the United  
19 States in the Philippine Islands deemed by the Commission  
20 to be similar to that for which compensation is requested,  
21 or to be suitable for the rebuilding or repair of the property  
22 damaged or destroyed. The transfer of such property to  
23 such claimants shall be at the fair value of the property as  
24 fixed by the disposal agency. The Commission shall pay  
25 such fair value to the disposal agency.

1        SEC. 112. The War Damage Corporation is authorized  
2 and directed to consult with, and in every manner possible to  
3 assist and cooperate with, the Commission, to aid the Com-  
4 mission in its performance of duties hereunder, and to make  
5 available to or deliver to the Commission all records, claims,  
6 files, and other documents in its possession pertaining to  
7 Philippine claims. The Commission is authorized to give  
8 such weight as it may deem proper to any reports, certifi-  
9 cates, or recommendations of the War Damage Corpora-  
10 tion, or its adjusters or claims service offices.

11        SEC. 113. The Commission shall notify all claimants of  
12 the approval or denial of their claims, and, if approved, shall  
13 notify such claimants of the amount for which such claims  
14 are approved. Any claimant whose claim is denied, or is  
15 approved for less than the full allowable amount of said  
16 claim, shall be entitled, under such regulations as the Com-  
17 mission may prescribe, to a hearing before the Commission  
18 or its representatives with respect to such claim. Upon  
19 such hearing, the Commission may affirm, modify, or re-  
20 verse its former action with respect to such claim, including  
21 a denial or reduction in the amount of a claim theretofore  
22 approved. All findings of the Commission concerning the  
23 amount of loss or damage sustained, the cause of such loss  
24 or damage, the persons to whom compensation pursuant  
25 to this title is payable, and the value of the property lost

1 or damaged, shall be conclusive and shall not be reviewable  
2 by any court.

### 3 TITLE II—DISPOSAL OF SURPLUS PROPERTY

4 SEC. 201. In order to expedite the disposition of sur-  
5 plus property of the United States in the Philippine Islands  
6 and to aid in—

7 (1) repairing and replacing buildings, equipment,  
8 and other property of the Commonwealth of the Philip-  
9 pines and other governmental units in the Philippines, in  
10 cases where such buildings, equipment, or other property  
11 have been damaged, lost, or destroyed in the war, and  
12 otherwise restoring and facilitating the normal operations  
13 of governmental units in the Philippines;

14 (2) restoring and providing essential public build-  
15 ings, services, works, and utilities, including hospitals,  
16 schools, and other institutions furnishing essential health  
17 and welfare services, in the Philippines; and

18 (3) rehabilitating the economy of the Philippines  
19 and aiding and encouraging private enterprise in such  
20 economy;

21 the Department of State, the disposal agency for the Philip-  
22 pines designated under the Surplus Property Act of 1944, act-  
23 ing through the Foreign Liquidation Commissioner (herein-  
24 after referred to as the “Commissioner”), is hereby author-  
25 ized, notwithstanding any other provision of law, to transfer to



1 the Commonwealth of the Philippines, without reimburse-  
2 ment, property of the United States now or hereafter located  
3 in the Philippine Islands and declared surplus under the  
4 Surplus Property Act of 1944, upon such terms and condi-  
5 tions, including the use or disposition of such property by  
6 the Commonwealth of the Philippines, as the Commissioner  
7 may deem appropriate to carry out the purposes of this title.

8 SEC. 202. At the time any such property is so trans-  
9 ferred to the Commonwealth of the Philippines, the Com-  
10 missioner shall make a record of (1) the items transferred,  
11 (2) the condition of such items, and (3) his estimate of  
12 the fair value of such items. The Department of State shall  
13 furnish a copy of such record to the Surplus Property Ad-  
14 ministrator, and shall also make quarterly reports to the  
15 President and the Congress concerning the administration  
16 of this title.

17 SEC. 203. Any surplus property now or hereafter lo-  
18 cated in the Philippines which is not transferred to the  
19 Commonwealth of the Philippines under section 201, may  
20 be disposed of by the Commissioner by sale, upon such  
21 terms and conditions as the Commissioner determines to  
22 be best suited for achieving the purposes stated in section  
23 201, and without regard to other provisions of law relating  
24 to the sale or disposition of property of the United States.



1 Any such sale may be made for a consideration greater or  
2 less than the fair value of the property concerned. In  
3 making such sale, the Commissioner may accept pesos  
4 as consideration. Any such surplus property which has not  
5 been disposed of by the Commissioner may be requisitioned  
6 by any other department or agency of the United States  
7 for its own use; and, upon the receipt of any such requisition,  
8 the Commissioner shall transfer such property to the requi-  
9 sitioning department or agency upon reimbursement of the  
10 fair value thereof. The proceeds derived from any disposal  
11 of surplus property by the Commissioner under this title  
12 shall be covered into the Treasury of the United States. If  
13 the consideration upon any disposal of property by the Com-  
14 missioner be other property, such other property may be  
15 disposed of by the Commissioner in the same manner as  
16 surplus property located in the Philippines.

17 SEC. 204. No military weapons, munitions, or toxic  
18 gas shall be transferred or otherwise disposed of under this  
19 title.

20 SEC. 205. The Commissioner is authorized to appoint  
21 an advisory committee to advise him upon the action to be  
22 taken by him under this title.

23 SEC. 206. The fair value of the property transferred to  
24 the Commonwealth of the Philippines under this title, as

1 estimated by the Commissioner, shall not exceed \$30,-  
2 000,000 in the aggregate.

3 SEC. 207. The Commissioner may prescribe such rules  
4 and regulations as may be necessary for the performance  
5 of his functions under this title, and may delegate and au-  
6 thorize successive redelegations of any authority conferred  
7 upon him by this title to any officer or employee of his  
8 agency or of any other department or agency of the United  
9 States or of the Commonwealth of the Philippines.

10 TITLE III—RESTORATION AND IMPROVEMENT  
11 OF PUBLIC PROPERTY AND ESSENTIAL  
12 PUBLIC SERVICES

13 SEC. 301. As a manifestation of good will to the Filipino  
14 people, there are hereby authorized to be appropriated, out  
15 of any money in the Treasury not otherwise appropriated,  
16 (1) the sum of \$120,000,000, to be allocated from time to  
17 time by the President of the United States among the  
18 various programs set forth in sections 302, 303, 304, and  
19 305, and (2) such additional sums as may be necessary to  
20 carry out the purposes of sections 306 to 311, inclusive.

21 PUBLIC ROADS

22 SEC. 302. (a) As recommended in a report based upon  
23 an investigation now being made in the Philippine Islands by  
24 the Public Roads Administration of the Federal Works

1 Agency and to the extent that the findings in such report  
2 are approved by the President, the Public Roads Administra-  
3 tion is authorized to plan, design, restore, and build, in  
4 accordance with its usual contract procedures, such roads,  
5 essential streets, and bridges as may be necessary from the  
6 standpoint of the national defense and economic rehabilita-  
7 tion and development of the Philippine Islands.

8 (b) The Commissioner of Public Roads is authorized,  
9 under such regulations as he may adopt, to provide train-  
10 ing for not to exceed ten Filipino engineers, to be desig-  
11 nated by the President of the Philippine Islands from the  
12 regularly employed staff of the Philippine Public Works  
13 Department subject to the provisions of section 311 (c),  
14 in the construction, maintenance, and highway traffic engi-  
15 neering and control necessary for the continued maintenance  
16 and for the efficient and safe operation of highway transport  
17 facilities.

#### 18 PORT AND HARBOR FACILITIES

19 SEC. 303. (a) As recommended in a report based upon  
20 an investigation now being made in the Philippine Islands by  
21 the Corps of Engineers of the United States Army and to  
22 the extent that the findings in such report are approved by  
23 the President, the Corps of Engineers is authorized to carry  
24 out a program for the rehabilitation, improvement, and  
25 construction of port and harbor facilities in the Philippine



1 Islands, such work to be done by contract, insofar as prac-  
2 ticable, under the direction of the Secretary of War and  
3 the supervision of the Chief of Engineers, and in accordance  
4 with established procedures applicable to river and harbor  
5 projects.

6 (b) The Chief of Engineers of the Army is authorized,  
7 under such regulations as he may adopt, to provide training  
8 for not to exceed ten Filipino engineers, to be designated  
9 by the President of the Philippine Islands from among the  
10 engineer officers of the Philippine Army and the regularly  
11 employed staff of the Philippine Public Works Department  
12 subject to the provisions of section 311 (c), in the construc-  
13 tion, improvement, and maintenance of port facilities and  
14 other works of improvements on rivers and harbors.

#### 15 PUBLIC PROPERTY

16 SEC. 304. The Philippine War Damage Commission,  
17 within the limits of the appropriations allocated to it for  
18 carrying out the provisions of this section, is authorized to  
19 compensate the Commonwealth of the Philippines (or the  
20 Philippine Republic), the provincial governments, chartered  
21 cities, municipalities, and corporations wholly owned by the  
22 Commonwealth of the Philippines (or the Philippine Repub-  
23 lic), in the Philippine Islands, for physical loss of or damage  
24 to public property in the Philippine Islands occurring after  
25 December 7, 1941 (Philippine time), and before October 1,



1 1945, as a result of the perils listed in section 102 (a) hereof,  
2 in any case in which compensation for such losses or the re-  
3 building, repair, or replacement of the lost or damaged  
4 property is not provided for by the transfer of surplus  
5 property under section 201 hereof, or provided for under the  
6 provisions of this title other than this section or otherwise  
7 provided for by the United States Government or any de-  
8 partment or agency thereof. To the fullest extent practi-  
9 cable, the Commission shall require that any lost or damaged  
10 property for which it decides to award compensation under  
11 this section shall be rebuilt, replaced, or repaired before pay-  
12 ments of money are actually made to claimants under this  
13 section. The Commission in its discretion may request the  
14 Federal Works Agency or the Corps of Engineers of the  
15 United States Army to undertake the rebuilding, repair, or  
16 replacement of property for which the Commission awards  
17 compensation under this section, and, from the funds avail-  
18 able for carrying out the provisions of this section, may trans-  
19 fer to such Agency or Corps of Engineers the funds necessary  
20 to pay for the work requested. The Federal Works Agency  
21 and the Corps of Engineers are authorized to rebuild, repair,  
22 or replace property in accordance with any such request of  
23 the Commission and to expend the funds so transferred to  
24 them for such purpose. The Commission shall have full  
25 power to select, and fix the priority of, cases in which com-

1   pensation will be awarded or property rebuilt, repaired, or  
2   replaced under this section, and to determine the amount of  
3   such compensation and the extent to which such property will  
4   be rebuilt, repaired, or replaced, taking into account the  
5   relative importance of various projects to the reconstruction  
6   and reconversion of the economy of the Philippine Islands and  
7   such other factors as the Commission deems relevant.

8                                   PUBLIC HEALTH

9       SEC. 305. (a) The Public Health Service of the Federal  
10   Security Agency is authorized to cooperate with the Govern-  
11   ment of the Philippine Islands, and with other appropriate  
12   agencies or organizations, in the rehabilitation and develop-  
13   ment of public health services and facilities throughout the  
14   Philippine Islands.

15       (b) To accomplish such purposes the Public Health  
16   Service shall at the earliest practicable time survey the  
17   health situation in the Philippine Islands, and is authorized  
18   to replace, expand, or install such health services and fa-  
19   cilities in the Philippine Islands as are deemed essential to  
20   preservation of health, and may assist in the rehabilitation  
21   and development of a Philippine quarantine service for pre-  
22   vention of introduction of disease from abroad or from one  
23   island to another. The Public Health Service may set up  
24   demonstrations and establish training centers in the Philip-  
25   pine Islands; may establish and maintain in the Philippine

1 Islands a school or schools for the purpose of providing  
2 practical instruction in public health; and may, at any time  
3 prior to January 1, 1948, provide one year of training in  
4 appropriate schools or colleges in the United States to not  
5 more than one hundred Filipinos, to be designated by the  
6 President of the Philippine Islands subject to the pro-  
7 visions of section 311 (c), in public health methods and  
8 administration. It may replace equipment and supply  
9 reasonably necessary additional equipment, utilizing for this  
10 purpose, so far as possible, surplus property, and may  
11 recommend to the Commission the repair or construction  
12 under the provisions of section 304, at any time prior to  
13 July 1, 1950, of buildings deemed essential to the rehabili-  
14 tation of public health and quarantine functions.

15 INTER-ISLAND COMMERCE

16 SEC. 306. (a) In order to restore and improve inter-  
17 island commerce in the Philippine Islands, the United  
18 States Maritime Commission is authorized to charter under  
19 such terms and conditions (including nominal rates of charter  
20 hire) vessels of less than two thousand gross tons to in-  
21 dividuals, corporations, or cooperatives or other forms of busi-  
22 ness organizations in the Philippine Islands if the Commis-  
23 sion determines that they possess the ability, experience,  
24 financial resources, and other qualifications, necessary to  
25 enable them to operate and maintain the vessel in the



1 inter-island commerce in the Philippine Islands: *Provided*,  
2 That any charter entered into under the authority of this  
3 section shall contain a provision requiring that the vessel  
4 shall be operated only in the inter-island commerce in the  
5 Philippine Islands.

6 (b) The Chairman, United States Maritime Commis-  
7 sion, is hereby authorized to permit not exceeding fifty  
8 Filipinos each year, to be designated by the President of  
9 the Philippine Islands subject to the provisions of section 311  
10 (c), to receive instruction in the United States Merchant  
11 Marine Cadet Corps and at the United States Merchant  
12 Marine Academy at Kings Point, New York. The per-  
13 sons receiving instruction under authority of this section shall  
14 receive the same pay, allowances, and emoluments, to be  
15 paid from the same appropriations, and, subject to such  
16 exceptions as may be determined by the Chairman, United  
17 States Maritime Commission, shall be subject to the same  
18 rules and regulations governing admission, attendance,  
19 discipline, resignation, discharge, dismissal, and graduation,  
20 as cadet midshipmen at the Merchant Marine Academy  
21 appointed from the United States; but such persons shall  
22 not be entitled to appointment to any office or position in the  
23 United States merchant marine by reason of their graduation  
24 from the Merchant Marine Academy.



## 1 INTER-ISLAND AIR NAVIGATION

2 SEC. 307. (a) The Administrator of Civil Aeronautics  
3 of the Department of Commerce is authorized to acquire,  
4 establish, operate, and to maintain a system of air-navigation  
5 facilities and associated airways communications services in  
6 the Philippine Islands for inter-island airways operation and  
7 to connect the Philippine airways with international and  
8 interoceanic routes.

9 (b) The Administrator of Civil Aeronautics is author-  
10 ized, under such regulations as he may adopt, to train not  
11 exceeding fifty Filipinos each year, to be designated by the  
12 President of the Philippine Islands subject to the provisions  
13 of section 311 (c), in air-traffic control, aircraft communica-  
14 tions, maintenance of air-navigation facilities, and such other  
15 airman functions as are deemed necessary for the main-  
16 tenance and operation of aids to air navigation and other  
17 services essential to the orderly and safe operation of air  
18 traffic.

## 19 WEATHER INFORMATION

20 SEC. 308. (a) The Chief of the Weather Bureau of the  
21 Department of Commerce is authorized to establish meteorolo-  
22 gical facilities in the Philippine Islands as may be required  
23 to provide weather information, warnings, and forecasts for  
24 general agricultural and commercial activities, including

1 meteorological service for the air routes on which air-naviga-  
2 tion facilities are operated by the Civil Aeronautics Admin-  
3 istration, and to maintain such meteorological offices until  
4 the Philippine Weather Bureau is reestablished and in posi-  
5 tion to assume responsibility for the service.

6 (b) The Chief of the Weather Bureau of the Depart-  
7 ment of Commerce is authorized, under such regulations as  
8 he may adopt, to train not to exceed fifty Filipinos in the  
9 first year and not to exceed twenty-five Filipinos in each  
10 succeeding year, the trainees to be designated by the Presi-  
11 dent of the Philippine Islands subject to the provisions of  
12 section 311 (c), and the training to include meteorological  
13 observations, analyses, forecasting, briefing of pilots, and  
14 such other meteorological duties as are deemed necessary in  
15 maintenance of general weather service, including weather  
16 information required for air navigation and the safe oper-  
17 ation of air traffic. The training of these employees shall  
18 be in addition and not in lieu of Weather Bureau employees  
19 to be trained under current Weather Bureau appropriations.

#### 20 PHILIPPINE FISHERIES

21 SEC. 309. (a) The Fish and Wildlife Service of the  
22 Department of the Interior is authorized to cooperate with  
23 the Government of the Philippine Islands, and with other  
24 appropriate agencies or organizations, in the rehabilitation

1 and development of the fishing industry, and in the investi-  
2 gation and conservation of the fishery resources of the  
3 Philippine Islands and adjacent waters.

4 (b) To accomplish such purposes the Fish and Wild-  
5 life Service shall conduct oceanographic, biological, fish cul-  
6 tural, technological, engineering, statistical, economic, and  
7 market development studies and demonstrations and fishery  
8 explorations, and in conjunction therewith may establish  
9 and maintain a vocational school or schools of fisheries in  
10 the Philippine Islands for the purpose of providing practical  
11 instruction and training in the fisheries; and may, at any  
12 time prior to July 1, 1950, provide one year of training  
13 to not more than one hundred and twenty-five Filipinos,  
14 to be designated by the President of the Philippine Islands  
15 subject to the provisions of section 311 (c), in methods  
16 of deep-sea fishing and in other techniques necessary to  
17 the development of fisheries.

18 (c) The Fish and Wildlife Service is authorized to  
19 acquire, construct, maintain, equip, and operate such re-  
20 search and experimental stations, schools, research and ex-  
21 ploratory fishing vessels, or any other facilities in the  
22 Philippine Islands that may be necessary to carry out the  
23 purposes of this section.

24 (d) The Maritime Commission is authorized, upon  
25 recommendation of the Fish and Wildlife Service of the

1 Department of the Interior, to make arrangements for the  
2 transfer by sale or charter of small vessels, considered by the  
3 Maritime Commission to be satisfactory for the purpose,  
4 to be used in the establishment and continuance of a fishing  
5 industry to be operated in or near the Philippine Islands.  
6 Such transfers may be made on such terms and conditions, in-  
7 cluding transfer for a nominal consideration, as the Mari-  
8 time Commission may approve, but only if, in the opinion  
9 of the Fish and Wildlife Service, such small vessels so to be  
10 used for Philippine Island fishing are not needed by the fish-  
11 ing industry of the United States, its Territories, and  
12 possessions.

13 COAST AND GEODETIC SURVEYS

14 SEC. 310. The Coast and Geodetic Survey of the De-  
15 partment of Commerce is authorized to continue, until June  
16 30, 1950, the survey work which was being conducted by  
17 it in the Philippine Islands prior to December 7, 1941. The  
18 Director of the Coast and Geodetic Survey is authorized to  
19 train not exceeding twenty Filipinos each year, to be desig-  
20 nated by the President of the Philippine Islands subject to  
21 the provisions of section 311 (c), in order that they may  
22 become qualified to take over and continue such survey  
23 work on and after July 1, 1950, and to pay all expenses  
24 incident to their temporary employment and training.



## GENERAL PROVISIONS

2        SEC. 311. (a) The Government of the Philippine  
3 Islands shall provide all lands, easements, and rights-of-way  
4 necessary for the execution of the projects herein authorized.

(b) The several bureaus and agencies of the Government authorized by this title to undertake projects in the Philippine Islands are hereby authorized, in the prosecution of such projects, to cooperate with the Government of the Philippine Commonwealth (or the Philippine Republic), and to accept contributions of labor, materials, and money from such government and its political subdivisions and to utilize such labor, materials, and money in the prosecution of such projects.

(c) Wherever in this title the training of Filipinos at the expense of the United States Government is authorized, the head of the bureau or agency under whose supervision or control the training is given may establish minimum requirements as to education and experience, provide for competitive examinations, or establish such other standards for qualification for such training as in his judgment may seem necessary and advisable, and under such regulations as may be adopted from time to time may provide for the payment of all expenses incidental to such training, including, but not limited to, actual transportation expenses to and from

1 and in the United States, allowances for tuition, educational  
2 fees, and subsistence.

3 (d) Notwithstanding the provisions of section 3 of the  
4 Act of February 5, 1917 (39 Stat. 875), and section 8 of  
5 the Act of March 24, 1934 (48 Stat. 456), any Filipino who  
6 is appointed for training or instruction as provided in this  
7 Act may be admitted to the United States for such training  
8 or instruction upon certification to the Immigration and  
9 Naturalization Service by the head of the bureau or agency  
10 under whose supervision the training or instruction is to be  
11 given that such entry is necessary in connection with the  
12 training or instruction: *Provided*, That the privilege of enter-  
13 ing or remaining in the United States for such purposes  
14 shall terminate within a reasonable time after discontinuance  
15 of the training or instruction or upon failure of the person  
16 appointed to abide by the conditions of his appointment:  
17 *And provided further*, That the head of the bureau or agency  
18 concerned may at any time terminate the appointment of any  
19 person appointed under this Act if in his judgment the best  
20 interests of either the United States or the Philippine Gov-  
21 ernment make such action advisable, and his decision shall  
22 be final and conclusive.

23 (e) Unless otherwise provided by law this title shall  
24 expire on June 30, 1950.

1           TITLE IV—THE UNITED STATES HIGH  
2                           COMMISSIONER

3       SEC. 401. Until the Philippine Islands attain their inde-  
4 pendency, the functions, powers, and duties exercised in the  
5 Philippine Islands by any officer, employee, department, or  
6 agency of the United States in carrying out the provisions  
7 of this Act shall be exercised under the general supervision  
8 of the United States High Commissioner to the Philippine  
9 Islands, and the officers, employees, offices, missions, and  
10 other agencies exercising such functions, powers, and duties  
11 shall be deemed to be attached to the office of the High  
12 Commissioner.









79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**S. 1610**

[Report No. 755]

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**A BILL**

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To provide for the rehabilitation of the Philippine Islands, and for other purposes.

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By Mr. TYDINGS

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NOVEMBER 19 (legislative day, OCTOBER 29), 1945  
Read twice and referred to the Committee on  
Territories and Insular Affairs

NOVEMBER 20 (legislative day, OCTOBER 29), 1945  
Reported without amendment







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued November 26, 1945, for actions of Friday, November 23, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed Government-corporations bill. Senate committee reported bill transferring Interior's fur-animal activities to this Department. Senate committee reported rationing-termination resolution. House conferees appointed on appropriation-rescission bill. Secretary Anderson's rationing-termination announcement inserted. Department's poultry-subsidizing plan criticized.

NOTE: We understand that the House hearings on the 1947 agricultural appropriation bill have tentatively been scheduled to begin Jan. 14.

SENATE

1. GOVERNMENT CORPORATIONS. Passed without amendment H.R.3660, to provide for financial control of Government corporations (pp. 11093, 11111). (For provisions see Digest 135.) This bill will now be sent to the President.
2. ANIMAL INDUSTRY. The Agriculture and Forestry Committee reported with amendment S. 566, to provide for the transfer of Interior's fur-animal activities to this Department (S.Rept. 783)(p. 11071).
3. RATIONING; DAIRY AND MEAT INDUSTRY. The Agriculture and Forestry Committee reported without amendment S. Res. 185, to express the sense of the Senate that this Department should order OPA to cease rationing of butter, oleomargarine, fats and oils, and meat as soon as practicable, but in no case later than Dec. 1, 1945 (pp. 11071-2).
4. MISSOURI VALLEY AUTHORITY. Received a Omaha River Development Association resolution opposing S. 555, the MVA bill, and urging appropriations for the present development program of the Missouri River Basin (p. 11071).
5. RURAL REHABILITATION. The Agriculture and Forestry Committee reported with amendments S. 704, to authorize the Secretary of Agriculture to continue administration of and ultimately liquidate Federal rural rehabilitation projects (S. Rept. 784)(p. 11071).
6. LANDS. The Agriculture and Forestry Committee reported without amendment S. 1471, to transfer certain lands in Limestone County to Tex.(S.Rept.785)(p. 11071).



7. FORESTRY. Passed without amendment H.R. 608, to exclude certain lands in Deschutes County, Oreg., from the provisions of R.S. 2319-37, relating to the promotion of the development of the mining resources of the U.S. (p. 11110). This bill will now be sent to the President.
8. BANKRUPTCY. Judiciary Committee reported without amendment S. 343, to amend the Bankruptcy Act so as to remove the legal incompatibility between the office of U.S. Commissioner and referee in bankruptcy (S. Rept. 787) (p. 11071); S. 345, relating to the method of payment of the compensation of U.S. commissioners (S. Rept. 789) (p. 11071); S. 346, to amend the act of May 28, 1896, prescribing fees of U.S. commissioners (S. Rept. 790) (p. 11071); and H.R. 2465, to amend the act of May 28, 1896, so as to provide that nothing therein shall preclude a referee in bankruptcy or a national park commissioner from appointment also as a U.S. commissioner (S. Rept. 791) (p. 11071).
9. PERSONNEL. Passed without amendment H.R. 1512, to amend the Pay Readjustment Act so as to provide for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay (p. 11094). This bill will now be sent to the President.

Passed with amendment S. 890, to amend the Civil Service Retirement Act so as to provide that annuities of persons who retired before Jan. 24, 1942, shall be recomputed and paid in accordance with the provisions of Sec. 4 of the act of Jan. 24, 1942 (p. 11109).

Passed with amendment S. 1560, to extend reemployment benefits to former members of the WAAC's who entered the WAC's (p. 11106).

Discussed and passed over S. 1415, to provide for increasing Federal pay rates (pp. 11107-8).

Discussed and passed over H.R. 2716, to provide for health programs for Government employees (pp. 1108-9).
10. ADMINISTRATIVE LAW. At the request of Sen. Donnell, Mo., passed over S. 7, to improve the administration of justice by prescribing fair administrative procedure (pp. 11109-10). (For provisions see Digest 206.)
11. MINERALS. Agreed to S. Con. Res. 22, calling upon the Secretary of the Interior for a report upon the minerals situation of the U.S. (p. 11109).

Discussed and at the request of Sen. McCarran, Nev., passed over S. 1483, providing for the suspension of annual assessment work on mining claims held by location in the U.S., including Alaska (p. 11110).
12. PHILIPPINE REHABILITATION. At the request of Sen. Taft, Ohio, passed over S. 1610, to provide for rehabilitation of the Philippine Islands (p. 11110).
13. NOMINATION. Confirmed the nomination of William McChesney Martin, Jr., to be a member of the Board of Directors of the Export-Import Bank (pp. 11112-3).
14. SUGAR; GRAINS. Sen. Capper, Kans., inserted a Kans. Federation of Women's Clubs resolution protesting the use of sugar and grains in the manufacture of liquor (p. 11071).
15. ANIMAL DISEASES. Sen. Capper, Kans., inserted an American Veterinary Medical Association resolution urging legislation to strengthen safeguards against the importation of diseased livestock (p. 11071).
16. INFLATION; PRICES; WAGES. Sen. Taft, Ohio, criticized the wage-price policy, Government expenditures, OPA price policies, and living standards with respect to possible inflation (pp. 11082-7). (See also item 38).



The PRESIDING OFFICER. The bill will be passed over.

Mr. McCARRAN. Mr. President, I think it would be improper for the Senate to take up this bill at a time when the Senate is considering bills on the consent calendar under the 5-minute rule. The bill is one of the most important to come before the Senate for sometime, and I hope in the reasonably near future to have the matter brought before the Senate at a time when the Senate can give it proper consideration.

#### EXCLUSION OF LANDS IN DESCHUTES COUNTY, OREG., FROM CERTAIN PROVISIONS OF LAW

The Senate proceeded to consider the bill (H. R. 608), to exclude certain lands in Deschutes County, Oreg., from the provisions of Revised Statutes 2319 to 2337, inclusive, relating to the promotion of the development of the mining resources of the United States, which had been reported from the Committee on Public Lands and Surveys, with an amendment, at the end of the bill to add the following proviso: "Provided, That nothing in this act shall disturb any vested rights of any person or persons in or to said real property or any part thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

#### ASSESSMENT WORK ON MINING CLAIMS—BILL PASSED OVER

The bill (S. 1483) to amend the act entitled "An act providing for suspension of annual assesment work on mining claims held by location in the United States including the Territory of Alaska", approved May 3, 1943, was announced as next in order.

Mr. McCARRAN. Mr. President, I ask that the bill go over. Similar bills have been before the Congress almost continuously during the past 13 years. They have been passed at various times for certain lengths of time, by reason of the depression in the first instance, because of the war in the second instance, and for other reasons. But the time is approaching, Mr. President, when the public domain of the United States should not be held under mining claims without a compliance with the spirit and intentment of the law applicable to mining claims. The law is that where a claim is taken for mineral in place or for a placer claim, work should be done annually on the claim so as to develop the true worth of the claim. Suspension bills have been passed by reason of the fact that labor was scarce in some instances, and due to lack of money because of the depression in other instances. But the time is fast approaching when labor will be plentiful and when we will be looking for post-war projects to give employment. The only reason I want the bill to go over at this time is so it may be limited as to the extent of time within which it will be operative.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. MILLIKIN. I should like to suggest to the Senator that the bill is definitely limited. As the law now stands there is a suspension of the law until the 1st of July following the end of the war, as proclaimed by the President or by Congress. The difficulty with the present situation is that if a proclamation were made on June 15 or June 25 of this year there would not possibly be time to organize the necessary work to comply with the statute. So that the pending bill merely changes the existing law so that the work will be suspended until one year from the 1st day of July after the cessation of hostilities as proclaimed by the President or by concurrent resolution of Congress.

Mr. McCARRAN. I know the scope of the bill. I know that President Roosevelt, when he signed the last extension bill, said it would be the last time extension of time would be given. I think it is time to stop the whole procedure. We have men out of employment now and we will have more of them as they come back from the war without employment and seeking employment. Their source of employment in years past has been, in many instances, doing the annual assessment work on mining claims. What is going on now is that great areas of the public domain are being held in absentee landlordship by those who have done nothing whatever to develop their claims or to develop the mineral resources of the country in which the claims are located.

The PRESIDING OFFICER. On objection, the bill will be passed over.

#### BILL PASSED OVER

The bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes, was announced as next in order.

Mr. TAFT. This is a bill of great importance. It ought not to be passed on the Consent Calendar. I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

#### REGINALD MITCHELL

The bill (S. 1371) for the relief of Reginald Mitchell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Reginald Mitchell, of North Hollywood, Calif., the sum of \$106.85, in full satisfaction of his claim against the United States for compensation for property damage sustained by him, as a result of an accident which occurred when a United States Army vehicle collided with another automobile and pushed it into the rear of the automobile which he was driving, at the intersection of East Seventh Street and Maple Street, in Los Angeles, Calif., on November 10, 1944: *Provided, That* no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction

thereof shall be fined in any sum not exceeding \$1,000.

#### CLEO E. BAKER

The bill (H. R. 2191) for the relief of Cleo E. Baker was considered, ordered to a third reading, read the third time, and passed.

#### O. M. MINATREE

The bill (H. R. 1358) for the relief of O. M. Minatree was considered, ordered to a third reading, read the third time, and passed.

#### MRS. ADDIE S. LEWIS

The bill (H. R. 3135) for the relief of Mrs. Addie S. Lewis was considered, ordered to a third reading, read the third time, and passed.

#### MARY GALIPEAU

The bill (H. R. 2290) for the relief of Mary Galipeau was considered, ordered to a third reading, read the third time, and passed.

#### L. WILMOTH HODGES

The Senate proceeded to consider the bill (H. R. 874) for the relief of L. Wilmoth Hodges, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$9,641.75" and insert "\$7,141.75."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

#### CLIFFORD E. CRAIG

The bill (H. R. 2189) for the relief of Clifford E. Craig was considered, ordered to a third reading, read the third time, and passed.

#### JOHN AUGUST JOHNSON

The bill (H. R. 977) for the relief of John August Johnson was considered, ordered to a third reading, read the third time, and passed.

#### MRS. RUTH COX

The bill (H. R. 2427) for the relief of Mrs. Ruth Cox was considered, ordered to a third reading, read the third time, and passed.

#### CLAIM OF EASTERN CONTRACTING CO.—BILL PASSED OVER

The bill (H. R. 2518) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation, against the United States, was announced as next in order.

Mr. McCARRAN. Mr. President, House bill 2518, Calendar No. 771, appears to be a bill which seeks to confer jurisdiction on one of the courts of the land. The jurisdiction of bills of this nature has always been, so far as I can recall, in the Committee on the Judiciary. For some reason or other this bill seems to have gone to another committee, although it is a matter which deals exclusively with the jurisdiction of courts. I do not think the matter should have gone to the Claims Committee in the first instance. There is no report here from the Claims Committee at this



Can the Senate proceed with the bill after that request is made?

The PRESIDING OFFICER. The Chair desires to have the amendment stated.

Mr. BILBO. It is all right to perfect it.

Mr. WHITE. Mr. President, what bill is before the Senate at the moment?

The PRESIDING OFFICER. Calendar No. 751, House bill 2716. The Senator from California suggested an amendment, which the Chair directed the clerk to state to the Senate. If any Senator cares to object to the consideration of the bill after that is stated, he may do so.

Mr. BILBO. Very well.

The CHIEF CLERK. On page 2, at the end of line 17, after the word "environment", it is proposed to insert the following proviso: "Provided, That whenever the professional services of physicians are authorized to be utilized under this act, the definition of a physician contained in the act of September 7, 1916, shall be applicable."

Mr. BILBO. Over.

Mr. HICKENLOOPER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HICKENLOOPER. Will the amendment go over with the bill?

The PRESIDING OFFICER. It will.

Mr. DOWNEY. Mr. President, if Senators who have objection will withhold the objection for a while, I should like to make a brief explanation of the bill. I am very sure that if they were familiar with the terms of the bill they would not object.

Mr. BILBO. I am afraid the Senator will convince me. I object.

The PRESIDING OFFICER. On objection, the bill will be passed over.

#### RECOMPUTATION OF ANNUITIES FOR RETIRED ANNUITANTS

The Senate proceeded to consider the bill (S. 896) to amend the act entitled "An act to amend further the Civil Service Retirement Act approved May 29, 1930, as amended, approved January 24, 1942, and for other purposes," which was read, as follows:

*Be it enacted, etc.,* That section 10 of the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942 (Public Law No. 411, 77th Cong.), is amended to read as follows:

"Sec. 10. In the case of those who before the enactment of this act shall have been retired on annuity under the provisions of the act of May 22, 1920, as amended, or the act of May 29, 1930, as amended, the annuity shall be recomputed and paid in accordance with the provisions of section 4 of this act."

Sec. 2. Nothing herein contained shall be construed so as to reduce the annuity of any annuitant, nor shall any increase in annuity accrue under this act prior to its enactment.

Sec. 3. This act shall become effective on the first day of the second calendar month following the month in which this act is enacted.

Mr. MORSE. Mr. President, I should like to offer an amendment to the bill on page 2, line 7, to strike out the words "prior to its enactment" and in lieu thereof to insert "to any annuitant for any period prior to the effective date of this act."

Mr. REVERCOMB. Mr. President, I understand the amendment changes the bill so that any payments will not be retroactive.

Mr. MORSE. It makes perfectly clear that there will be no retroactive payments beyond the effective date of the act.

Mr. HICKENLOOPER. I may say that the amendment offered by the Senator from Oregon has been studied, and I believe it accomplishes exactly the purpose he has just stated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (H. R. 2938) to amend the Code of Law of the District of Columbia, with respect to abandonment of condemnation proceedings, was announced as next in order.

Mr. BILBO. I ask that the bill be passed over. I should like to say that I reported the bill from the District Committee, but there have been some developments with respect to the effect of the amendment which was offered in committee to the House bill. So I ask that the bill go over until we can make a further study.

The PRESIDING OFFICER. The bill will be passed over.

#### REPORT BY SECRETARY OF THE INTERIOR UPON MINERALS SITUATION OF THE UNITED STATES

The concurrent resolution (S. Con Res. 22) calling upon the Secretary of the Interior for a report upon the minerals situation of the United States was considered and agreed to, as follows:

*Resolved, etc.,* That the Secretary of the Interior is hereby requested to report to the Congress within 6 months upon the minerals situation of the United States, including estimates on the current reserves of the principal minerals, and to prepare and submit within the same time such other data as he may deem useful to the Congress in formulating a program for the making of the surveys, examinations, studies, and investigations required to safeguard the Nation's future security and economy by supplying the basic geological, technological, and economic information needed to assist industry and Government in a continuing program of exploration, conservation, and development of the Nation's mineral resources.

The preamble was agreed to.

#### PAYMENTS OF REWARDS TO POSTAL EMPLOYEES FOR INVENTIONS

The bill (H. R. 744) authorizing payments of rewards to postal employees for inventions, was considered, ordered to a third reading, read the third time, and passed.

#### EFFECTUATION OF PURPOSES OF SERVICEMEN'S READJUSTMENT ACT OF 1944 IN THE DISTRICT OF COLUMBIA

The bill (S. 1152) to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes, was considered, ordered to be engrossed for a

third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That this act may be cited as the "District of Columbia Servicemen's Readjustment Enabling Act of 1945."

SEC. 2. (a) The disability of minority of a resident of the District of Columbia who is eligible for guaranty of a loan pursuant to the Servicemen's Readjustment Act of 1944 (58 Stat. L. 284) and of a minor spouse of any such resident (when acting jointly with such resident) is hereby removed with respect to the incurring of any obligation all or part of which is guaranteed under the provisions of said act or in conjunction with which a secondary loan is so guaranteed, and with respect to the exercise of the rights of ownership in any property acquired with the proceeds of any such obligation, including the right to sell, convey, lease, encumber, improve, or maintain the same and to further obligate himself incident to his exercise of such rights.

(b) Notwithstanding any other provision of law, any building association or building and loan association or any savings and loan association, incorporated or unincorporated, organized and operating under the laws of the District of Columbia, or any Federal savings and loan association whose main office is in the District of Columbia, may invest its funds in: (1) Property-improvement loans insured or insurable under title I of the National Housing Act; (2) loans to veterans of World War II when guaranteed in whole or in part by a loan guaranty certificate issued under the Servicemen's Readjustment Act of 1944 including, without limitation, such loans as are unsecured and such loans as are junior to another mortgage or lien upon the security; and (3) other secured or unsecured loan for property alteration, repair, or improvement or for home equipment: *Provided*, That no such unsecured loan not insured or guaranteed by a Federal agency shall be made in excess of \$2,000: *Provided further*, That the total amount loaned or invested and held in unsecured loans not insured or guaranteed by a Federal agency as provided for under this subsection at any one time shall not exceed 15 percent of the association's assets.

SEC. 3. Any building association, building and loan association, or savings and loan association organized and operating under the laws of the District of Columbia, is authorized to lend money to veterans of World War II and others upon the security of a first deed of trust or first mortgage upon real estate, to be repaid in monthly or quarterly payments to be applied first to interest and the balance to principal until the indebtedness is paid in full, and without subscription to, or ownership of any shares, and such loans shall be known as direct-reduction loans. Direct-reduction-loan borrowers, and all persons assuming or obligated under direct-reduction loans made or held by such association shall be members of the association, and at all meetings of the members of the association, each borrower or each obligor upon a direct-reduction loan shall be entitled to one vote as such member.

#### BILLS PASSED OVER

The bill (S. 1289) to amend section 1 of the Federal Power Act with respect to the terms of office of members of the Federal Power Commission, was announced as next in order.

Mr. YOUNG. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure, was announced as next in order.

Mr. DONNELL. Over.







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued November 28, 1945, for actions of Tuesday, November 27, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House began debate on 1st deficiency appropriation bill; farm-labor item discussed. Foreign Affairs Committee reported UNRRA authorization bill.

HOUSE.

1. FIRST DEFICIENCY APPROPRIATION BILL, 1946. Began and concluded general debate on this bill, H.R.4805 (pp. 11223-55). Rep. Cannon, Mo., discussed the bill's provisions and urged economy in the national budget, stating, "Unless we can maintain this Nation on a sound financial basis there is disaster ahead for us and for the world" (pp. 11224-29), and he and Rep. Anderson, Calif., discussed the farm-labor item (pp. 11228, 11230). Reps. Tarver, Ga., Hare, S.C., Lemke, N.Dak., Doyle, Calif., and Abernethy, Pa., discussed the flood-control items in the bill (pp. 11230-4, 11245-9). Rep. Wigglesworth, Mass., criticized the appointment "of personnel for which there has been no authorization from the Congress," citing several agencies including B&O (p. 11234). Reps. Murdock, Ariz., Whittington, Miss., and others discussed the reclamation items and Rep. Whittington stated that "Sound public works...are always in order (pp. 11236-9, 11250-1). Rep. Vorys, Ohio, criticized UNRRA administration and questioned the personnel situation in that agency (pp. 11240-1). Rep. Hoffman, Mich., discussed cost-of-living figures and criticized the \$50 membership fee which he had to pay to the AFofL when "I tried to send provisions and fruit into Detroit on my own truck" (pp. 11242-3).
2. UNRRA AUTHORIZATION. The Foreign Affairs Committee reported without amendment H.R.4649, to enable the U.S. to further participate in the work of UNRRA (H. Rept. 1311) (p. 11257).
3. WAR POWERS. Received the Navy Department's draft of a proposed bill to extend the effectiveness of Title V of the Second War Powers Act. To Judiciary Committee. (p. 11257).
4. CLAIMS. Minority views of the Judiciary Committee submitted on H.R.2788, to amend 28 USC, limiting the time for bringing action against the U.S. (H. Rept. 1141, pt. III) (p. 11257).



# SENATE

5. UNRRA APPROPRIATIONS. Sens. McKellar, Tenn., and Wherry, Nebr., discussed H.J. Res. 266, the UNRRA-appropriation bill (pp. 11219-20).
6. ACCOUNTING. The Expenditures in the Executive Departments Committee reported without amendment H. R. 4350, relating to the issuance of checks in replacement of lost, stolen, etc. U. S. checks (S. Rept. 801) (p. 11191).
7. PHILIPPINE REHABILITATION. Began debate on S. 1610, for the rehabilitation of the Philippine Islands (pp. 11218-20).<sup>19</sup>
8. FOREIGN AFFAIRS. Continued debate on S. 1580, to provide for appointment of U.S. representatives in organs of the United Nations and to make other provision with respect to U.S. participation in such organization (pp. 11195-218).
9. COOPERATIVES. Sen. McKellar, Tenn., inserted a Memphis (Tenn.) C of C resolution urging equal exemptions and immunities, with respect to subsidies and loans, to all cooperative organizations other than certain farmers' and fruit growers' associations (pp. 11189-90).
10. MISSOURI VALLEY AUTHORITY. Sen. Langer, N.Dak., inserted a Warwick (N.Dak.) citizens' letter favoring establishment of an MVA (p. 11190).
11. NOMINATION of Robert Tenbrook to be a member of the Export-Import Bank Board of Directors <sup>was</sup> withdrawn (p. 11221).
12. CLOTHING SHORTAGE. Sen. Langer, N.Dak., inserted a constituent's letter criticizing the clothing shortage in N. Dak. (p. 11191).

## BILLS INTRODUCED

13. BUTTER AND EGGS. S. 1628, by Sen. Capper, Kans., for the prevention of obstructions and burdens upon interstate commerce in butter and eggs by regulating transactions relating to future sales on commodity exchanges. To Agriculture and Forestry Committee. (p. 11191.)
14. FLAG DISPLAY. H. R. 4806, by Rep. Baldwin, Md., to amend the codification of existing rules and customs pertaining to the display and use of the U.S. flag set forth in the joint resolution of June 22, 1942, so as to include among the special days on which the U.S. flag should be displayed the anniversary of the writing of the Star-Spangled Banner. To Judiciary Committee. (p. 11257.)
15. PERSONNEL. H.R. 4812, by Rep. Traynor, Del., to provide for the bonding of Federal officials and employees. To Expenditures in the Executive Departments Committee (p. 11258.)  
H.R. 4839, by Rep. May, Ky. (by request) to amend the act to provide for furnishing transportation for certain Government and other personnel necessary for the effective prosecution of the war. To Military Affairs Committee. (p. 11258.)
16. MONOPOLIES. H. R. 4810, by Rep. Kefauver, Tenn., to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies. To Judiciary Committee. (p. 11258.)
17. HOUSING; VETERANS. H.R. 4811, by Rep. Thomas, Tex., to provide certain benefits under the National Housing Act to veterans and war-service seamen in order to facilitate home ownership by such veterans and seaman. To Banking and Currency



As I have said, I have never been a high protectionist, but I do say that if we are to have a world government, and are to give that government the power to tear down tariff barriers completely, to abrogate our immigration laws, to divide up the wealth of 130,000,000 people among the 2,000,000,000 throughout the world, we will not be helping the other countries, but we will be tearing down the only great democratic Republic that now exists, and which has existed for more than 150 years.

When the American people come to understand the philosophy that is back of the position taken by some of these idealists, I venture to say public opinion will not follow them. If it does follow them, if that is what the American people want, then the sooner we find it out the better, and the sooner we ascertain whether we are to maintain a democratic Republic in the United States, or are going to be led off to become merely a satellite of some world power, the better off we will be.

Mr. SHIPSTEAD. Will the Senator further yield?

Mr. WHEELER. I yield.

Mr. SHIPSTEAD. The Senator spoke of sovereignty. In this country the sovereignty is in the people. Does the Senator think that, without a constitutional amendment, Congress by any act can destroy the sovereignty of the people, without their consent?

Mr. WHEELER. That depends upon what the Supreme Court might rule on the question.

Mr. SHIPSTEAD. That is a very pertinent remark, in view of some decisions the Supreme Court has made.

Mr. WHEELER. When the great internationalists were talking about what we should do, and criticizing some of us because we wanted to keep out of war and preserve our neutrality, on September 15, 1936—

Mr. VANDENBERG. Mr. President, before the Senator leaves the subject he has been discussing, may I ask him merely one question for clarification?

Mr. WHEELER. Certainly.

Mr. VANDENBERG. The Senator has most emphatically discussed what he defines as apologists for Russia.

Mr. WHEELER. Yes.

Mr. VANDENBERG. I am sure the Senator does not mean to indicate any belief that one is an apologist for Russia because he believes in the United Nations Organization.

Mr. WHEELER. Oh, no; not at all. I would not for a minute have such an implication be drawn. Some of the very articles which I have read today criticize us because of the break-down of the London Conference when, as Anne O'Hare McCormick and some of the other writers pointed out, the whole difficulty was that the Russians refused to take any step unless it was to help their particular policy and their particular philosophy.

So far as I was concerned, I was glad to see our Secretary of State, for the first time, have the courage to stand up and not further appease and give in to everything Mr. Molotov wanted at the London Conference. I was particularly glad to see the statement sent by the

State Department, or our Government, today with reference to Iran. We have declared again and again that we have to appease. We criticized Chamberlain for appeasing Hitler, and what have we been doing?

In order to have unity must we get down on our knees and crawl before a man who has enjoyed the fruits of our lend-lease? Have the American people become such simple-minded children as to believe such a thing; or is it because over the radio and in the press the propaganda goes out all the time? If the American people do not begin to think for themselves rather than let a few propagandists do their thinking for them, the American form of government as we all know it will soon disappear.

I now wish to quote from Secretary Hull, a statement made on September 15, 1936. This is not an isolationist speaking. On September 15, 1936, Secretary Hull defended American neutrality against our internationalists and interventionists by saying:

At times there has been criticism because we would not depart from our traditional policy and join with other governments in collective arrangements carrying the obligation of employing force, if necessary, in case disputes between other countries brought them into war. That responsibility, carrying direct participation in the political relations of the whole of the world outside, we cannot accept, eager as we are to support means for the prevention of war. For current experience indicates how uncertain is the possibility that we, by our action, could vitally influence the policies of activities of other countries from which war might come.

Now, let some of the critics of what I am saying answer that. Was Secretary Hull an isolationist?

Mr. President, it was Confucius who said:

It is better to light a candle than to curse the darkness.

There is a better way for America now to serve humanity than is provided for by this legislation. For years now America has traveled the wretched and twisted road of a foreign policy that has shifted, without rhyme or reason, from the extreme of a fawning appeasement to the opposite extreme of war. Even now we are caught in such a dilemma that we cannot possibly honorably withdraw into what would be for the first time in our history the isolation with which America so often has been charged. But if this is true, as I believe it to be, what many of our internationalist enthusiasts do not yet seem to understand is that neither can we swing permanently to the opposite extreme of intervention and atomic war. Not only civilization, but also the very future of the human race itself, is now at stake, and is in our hands. America is now burdened with a terrible responsibility which we cannot and will not disown. But the world would earn our undying contempt and hatred if now, with the whole weight and burden of its cries and prayers for peace upon America, we should, in our blundering haste, take one false step that might prove our own undoing from within.

Mr. President, this legislation provides not only another step toward surrender of our form of Government, it is the

product of an escapist and defeatist philosophy. Rather than yield to it, now is the time for all men of good heart and creative vision to find a truly American way to meet the obligations that are ours, to find an American way to remove from the earth once and for all, the threat, the fear, and the curse of tyranny and war. We shall not get another chance, we must stand now for a principle. But we are told that to stand for a principle now means war. If we stand for principle it means war, so we must do away with our principles. I cannot believe it means war, as I have already stated this afternoon. I will not believe that Russia wants war or dares to go to war against the United States. We must quit appeasing Russia and let her know once and for all we did not fight this war to let her enslave the people of Europe. She agreed to our high principles in her hour of distress. She must abide by them now.

Mr. President, I strongly urge, with all the seriousness at my command, that rather than lend their support to the measure which is now before the Senate, my colleagues give serious consideration to the following propositions:

First. If we are to play our full part to redeem the present world tragedy we must now take back into our own hands the control of America's destiny.

Second. America must stop her appeasement, and her compromise with principles, both with Great Britain and with Russia.

Third. I submit the following amendments to this legislation now under consideration:

(a) The United States delegate to the Security Council shall present a review of the proceedings of the Security Council every month to a joint session of both Houses of Congress.

(b) Wherever a decision to use United States armed forces arises in the Security Council, such a decision must be made by Congress.

Fourth. Let us grant the full appropriation being asked for UNRRA. There is not a moment to lose, but at the same time let us serve notice on the world that this is to be the last appropriation except where nonpolitical administration of relief is deserving of continued support.

Fifth. Let us set up our own American relief missions and appropriate all the money that is necessary to do more than our share in feeding, clothing, and sheltering the millions who now look to us for help, but let us administer this relief through American channels and on the basis of America's humanitarian principles.

Sixth. If as some say, the Russian people are starving and 25,000,000 of them are without the barest necessities of life, let us set up an American relief mission to Russia, as we did after the last war, appropriating the necessary money adequate to the task and on the same terms as above mentioned. We ourselves should handle it.

Seventh. Let America have the courage to call a real peace conference and let us do it with or without Russia's participation. Let us at least attempt at that conference—

(a) The universal abolition of conscription;



(b) Progressive multilateral disarmament; and

(c) Some measure of international control of the atomic bomb patterned after the Truman-Atlee-King formula.

Admitting the tragic blunders to which we have been a party, and the overwhelming power of destruction in our hands that terrorizes the world, we must find a way to take back into our hands and hearts the moral leadership of humanity. Moral leadership? Have we ever had moral leadership at any conference? And if we fail, liberty and freedom as we have known will perish from the earth. The choice lies with us. It was Edmund Burke who wrote in his Treatise on Conciliation of the Colonies:

Power and authority may sometimes be bought with kindness, but they can never be begged as alms by an impoverished and defeated violence.

Mr. CONNALLY. Mr. President, the hour is rather late. I hope Senators who have amendments they propose to offer at a later time will offer them now so the Senate may have the advantage of examining and perusing them in the meantime. If any Senator cares to proceed now with an amendment I have no disposition to object.

May I inquire of the Senator from Ohio [Mr. TAFT] if he desires the floor at this time?

Mr. TAFT. Mr. President, I thought I might offer an amendment so that it might be pending. I do not desire to speak on it at this time.

Mr. CONNALLY. Very well.

Mr. TAFT. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, after line 21, it is proposed to add the following:

The representative of the United States on the Security Council shall—

(a) vote to recommend what he may consider appropriate procedures or methods of adjustment under article 36, and preferably recommend reference to the International Court of Justice;

(b) in voting to recommend terms of settlement under article 37 or 38 vote only for terms of settlement which are just to both parties and in accordance with international law so far as it may be applicable;

(c) refuse to vote under article 39, 41, or 42 (except by direction of the Congress) for measures against a nation unless he is satisfied that such measures, if taken, will bring about a result in accord with international justice as well as international peace and security;

(d) refuse to vote under article 39, 41, or 42 (except by direction of the Congress) for measures against a nation unless such nation has been given an opportunity to be heard before the Security Council, except in cases in which such nation has made an aggressive attack on the territorial integrity of some other nation.

#### REHABILITATION OF THE PHILIPPINE ISLANDS

Mr. TYDINGS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration, with a view to its passage, of Senate bill 1610, for the rehabilitation

of the Philippine Islands, which was reported unanimously from the Committee on Territories and Insular Affairs. I make the request with the definite understanding that if the bill brings on a debate which exceeds more than 30 minutes it will be immediately withdrawn and the unfinished business will automatically come before the Senate again.

Mr. EASTLAND. I object.

Mr. TYDINGS. I am not asking the Senator to vote for the bill, nor am I denying him the right to oppose it, but I am simply asking the right to have it considered.

Mr. EASTLAND. I object.

Mr. TYDINGS. Mr. President, I shall, if I may, take the liberty of explaining the bill, because I am satisfied that many Members of the Senate who might be fundamentally opposed to it would, if they understood it, take a different view. The bill does not appropriate any money to the Philippine Government. It does not appropriate any money for the restoration of governmental property. It does provide that \$30,000,000 worth of surplus war property now in the Philippines shall be made available to the Philippine government in case the Administrator deems it wise.

We have now in the Philippines about \$1,000,000,000 worth of surplus war material. It consists of trucks, bulldozers, and many other articles and commodities which will be useful to the Philippine government. At the present time it is very expensive for us to maintain this material there because the country is tropical and a large force of men is required to keep the machinery oiled and turned over weekly to prevent it from rusting and deteriorating.

The man in charge of this operation in the Philippines, General Browning, has testified before our committee that there is no point in bringing that property home because if it is brought home there will be little sale for it, and, in his opinion, in many cases sufficient money will not be realized from the sale of the property here to justify its transportation.

Furthermore, if the property brought back was in better condition than the average article there, it would only come in conflict with the reproduction activities of many of our large plants. According to the War Damage Corporation, the Philippine government has suffered about \$190,000,000 worth of damage.

The method of helping out the Philippine government is simply to allow it to use this property, which has no real value to us, to the extent of \$30,000,000. After that the property is to be sold, in the Philippines, for cash for all it will bring, and the money is to be turned into the Treasury of the United States. So, any remaining trucks or automobiles or bulldozers, or clothing, or groceries or what not, will all be put up and sold to the highest bidder, and the money will go into the Treasury of the United States.

The bill carries a provision for \$330,000,000 in the form of rehabilitation and relief for the devastated private property held by persons in the islands who are either of Filipino or American citizenship. It precludes all nationals except Filipinos and Americans. It is estimated

that about two-thirds of the claims will be filed by Filipinos and Americans, and that about one-third of the property lost was owned originally by those who were not American or Filipino nationals. So the committee has restricted this provision so as to exclude everybody from the benefits of this bill except Filipinos and Americans.

In addition to the above the War Damage Corporation collected in premiums during the war a sum in excess of \$200,000,000 which it did not have to pay out in war damages. In other words the Government of the United States made a profit of \$200,000,000. At the same time Mr. Jesse Jones, who was then the head of the Corporation, with the approval of the President, published an order which provided in effect that Filipinos and Americans in the Philippine Islands who could not obtain insurance because of the Japanese occupation, would be covered into the fund to the extent of \$100,000,000 without the payment of premiums. That is in the record. No one denies it. So we have a moral obligation and a legal obligation, in my opinion, to the extent of \$100,000,000, whether we pass this bill or not, and cases are already pending in some of the courts to collect under this procedure. So, when we consider that \$100,000,000, and the \$200,000,000 of the original fund which is available for the payment of war damages, in effect this bill will cost the American taxpayer very little in real outlay.

Moreover, the bill contains a provision that any reparations collected from the Japanese people or Government shall be covered into the Treasury of the United States. Out of that fund the Filipinos will not receive a single penny until any outlay made by Congress under the provisions of this bill is first accounted for from the Japanese reparations received. So the prospects are that the passage of the bill would not cost the American taxpayer a single penny if all its provisions were carried out. I am of the opinion that the Senator from Mississippi, who was not present at the hearing, and who has not, as he says, had an opportunity to read the bill, assumes that this is a gesture of largesse, a pouring out of Federal funds without that degree of husbandry and economy with which the committee has attempted to surround every operation under the bill.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. Is the bill supposed to encompass all classes of claims which are expected to arise in the Philippines against us as the result of the war?

Mr. TYDINGS. That is correct.

Mr. VANDENBERG. There are no claims for support of the Filipino guerrillas outside this bill?

Mr. TYDINGS. That has been taken care of in a separate measure, and is not encompassed in this bill. It has already been taken care of by a blanket appropriation which is now either pending or has passed the Congress, to deal with all war claims of every kind and description, a part of which we are legally committed to pay.



Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. As I understand, that appropriation would merely pay for guerrillas who were officially made a part of the United States Army by General MacArthur, and are entitled to the pay of American soldiers?

Mr. TYDINGS. But that is not in this bill.

Mr. TAFT. That is outside of anything in this bill?

Mr. TYDINGS. It is not in this bill. That subject has been dealt with separately by the Appropriations Committee, which I believe authorized an appropriation. The Senator from Arizona [Mr. HAYDEN] worked diligently on that subject and reduced all the claims to an irreducible minimum. We have worked on the problem with the Veterans Administration, and we hope and believe that we can dispose of the question once and for all, with the expedition of all claims, and with a great saving to the American taxpayer.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. I am not questioning the Senator's statement. I simply wish to ask him for his judgment as to whether, if the bill were passed, the books would be balanced.

Mr. TYDINGS. That is my understanding and belief.

In addition to the property which was damaged in the Philippines, the committee thought it would be wise to couple with the provisions for rehabilitation provisions for training certain Filipinos to carry on work which heretofore has been carried on for the most part by our own Government. For example, in connection with the Coast and Geodetic Survey, provision is made to train 25 Filipinos in that work for a limited period of time so that thereafter they may do the work themselves. In connection with the United States Maritime Commission, provision is made to train a number of Filipinos at the United States Maritime Commission School in New York so that they may be able to captain the Pacific and interisland shipping in the islands, which to some extent has been depleted of personnel and almost entirely of ships.

In addition, the bill carries a provision for the training of 125 Filipinos in the art and practices of deep-sea fishing. Heretofore all the deep-sea fishing in the Philippines has been done by the Japanese. It was not thought wise to let the Japanese return to this line of activity, both from the standpoint of the Filipinos and from the standpoint of the United States. So we have provided that 125 Filipinos may be trained in the art and craft of deep-sea fishing. That would not entail the expenditure of much money. We are responsible for transporting the Filipinos to the west, Gulf, and Atlantic coasts, but the fishing companies have already agreed, after consultation with certain naval officers who were placed at their disposal and who explored the field, to hire the Filipinos at union wages so that they may learn the business from the ground up. The labor unions have agreed to amend their

contracts so that the Filipinos may be trained in this work with little or no cost to our Government.

Furthermore, it has been provided that our Public Roads Administration shall survey and lay out a plan for road construction in the Philippine Islands. It is not proposed that we build the entire road system once it is envisaged and designed. It is not contemplated that we shall carry the program to a state of completion. We are proposing to start it and hand over all the plans for the development of a road system in the Philippines and eventually have the Filipinos take it over, complete the road system, and thereafter maintain it. The bill provides that the Filipinos may obtain certain surplus war materials now in the Philippines so that they may do this work more cheaply.

That, in essence, is an outline of the bill, which has been pictured by those who have not taken the trouble to read it as involving a heavy drain on the Federal Treasury. In my humble judgment, and in the judgment of the members of our committee, so far as I know, in the last analysis it is probable that the bill will cost the American taxpayer very little, if anything, for we would get all the reparations which would come to the Filipinos, and they would get none of the reparations until every cent advanced under the provisions of this bill had been repaid through the medium of reparations.

But even without considering reparations, \$200,000,000 in premiums has been collected by this Government for war damages, and is now in the Treasury. Although in a sense it has been earned, in another sense it has not actually been earned, because although damages in Hawaii and Alaska were paid for out of this fund, the Filipinos, who were under our flag, have so far been denied any payments from the fund.

Probably the Senator from Mississippi will not withdraw his objection, but I have assumed that perhaps this little enlightenment as to what the bill contains might soften his heart when he considers that we are now feeding 600,000 people three meals a day in Manila alone. The city is as flat as a pancake, and will remain in that condition until something is done to rehabilitate it. If the Senator has a better solution than the one which the committee has offered, I should be glad to hear it. I greatly regret that, although the Senator is a member of the Committee on Territories and Insular Affairs, he took so little interest in the bill that, aside from an attendance of 10 minutes, he was not present at any of the committee meetings.

#### APPROPRIATIONS FOR UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House Joint Resolution 266, commonly known as the appropriation measure providing \$550,000,000 to carry out the provisions of UNRRA.

Mr. WHERRY. Mr. President, reserving the right to object, this is the sec-

ond appropriation of \$500,000,000 for UNRRA, is it not?

Mr. McKELLAR. No. The first appropriation was \$800,000,000.

Mr. WHERRY. And this is the second?

Mr. McKELLAR. This is the second part under the authorization. The Senator will recall that last year a bill was passed by the Congress and signed by the President authorizing an appropriation of \$1,350,000,000. When the first appropriation measure came before us, it was for \$800,000,000. That measure was passed. The proposed appropriation for \$550,000,000 is the remainder of the authorization. The joint resolution has passed the House, and the Committee on Appropriations has unanimously reported it to the Senate. I do not believe that consideration of the joint resolution would require much time, and I will say to the Senator from Texas that I hope we can pass it this afternoon.

Mr. CONNALLY. Mr. President, I shall object unless it be stipulated that if the joint resolution is not passed today it will be laid aside.

Mr. McKELLAR. I believe that the joint resolution can be passed this afternoon. I certainly hope that it can be. At any rate, no harm would be done if we were to occupy 5 minutes tomorrow in its consideration. The joint resolution must be passed by the Senate before it can go to the President. If the Senator from Texas is not going to speak on his bill this afternoon and if no other Senator desires to speak on it, why cannot we proceed to consider the joint resolution? I appeal to my friend from Texas, whom I have known for a long time, not to ask me to promise that consideration of the joint resolution will be concluded in 25 minutes. I cannot do that.

Mr. CHAVEZ. Mr. President, will the Senator yield to me for a moment?

Mr. CONNALLY. I yield.

Mr. CHAVEZ. I do not believe consideration of the joint resolution will take 15 minutes, and I appeal to the Senator from Texas to permit its consideration at this time.

Mr. CONNALLY. If consideration of the joint resolution will not take 15 minutes, action on it will be completed today. I stipulated that I would not object, provided consideration of the measure would be concluded today.

The PRESIDING OFFICER. The Chair will state that if the joint resolution referred to or any other measure is taken up at this time, a demand for the resumption of consideration of the unfinished business at any time will immediately bring it before the Senate again.

Mr. CONNALLY. It seems to me that when the Senate has a measure under consideration, its consideration should be concluded before the Senate proceeds to consider other measures.

Mr. McKELLAR. Mr. President, of course what I have requested can be done only by unanimous consent. That is the only way it can be done.

I renew my request.

Mr. WHERRY. Mr. President, reserving the right to object—and I state now that I shall not object—

Mr. McKELLAR. I thank the Senator.



Mr. WHERRY. Because I realize the importance of the UNRRA measure, and I realize that the distinguished acting chairman of the Appropriations Committee feels that this appropriation measure should be considered and passed—nevertheless, I suggest to the Senator that I expect to offer an amendment to the joint resolution, and in that connection it might be necessary to suggest the absence of a quorum.

Mr. CONNALLY. That is just what I thought might happen.

Mr. WHERRY. I do not wish to suggest the absence of a quorum if by doing so, passage of the UNRRA measure will be delayed beyond the conclusion of today's session. I do not desire to object to consideration of the joint resolution, but I must say that if the Senate proceeds to consider it at this time, in view of the fact that I intend to offer an amendment, I think it may be necessary to suggest the absence of a quorum.

Mr. McKELLAR. Well, Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDING OFFICER. The joint resolution will be read by title, for the information of the Senate.

The CHIEF CLERK. A joint resolution (H. J. Res. 266) making an additional appropriation for the United Nations Relief and Rehabilitation Administration.

Mr. CONNALLY. Mr. President, reserving the right to object, I desire to reiterate my statement that if consideration of the joint resolution continues beyond today and into tomorrow, I reserve the right to demand the regular order at any moment, and I expect to exercise that right.

A moment ago we were told that the joint resolution would be passed almost as soon as it was presented to the Senate; but, as I anticipated, now we learn that one Member of the Senate is to offer an amendment and that in that connection he will suggest the absence of a quorum.

Mr. President, no one can tell how long consideration of the joint resolution will take; and, furthermore, the measure will not become effective until the 1st of January; will it?

Mr. McKELLAR. It will become effective immediately.

Mr. WHERRY. Mr. President, if the Senator will yield to me, I suggest the absence of a quorum.

Mr. McKELLAR. Mr. President, if the Senator is going to do that, why does he not simply object to consideration of the joint resolution, because everyone knows that it will not be possible to obtain a quorum at this late hour in the afternoon. It is now 20 minutes to 5.

Mr. WHERRY. Mr. President, I do not wish to have my distinguished colleague, the chairman of the Appropriations Committee, of which I am a member, feel for a moment that I am attempting to defeat the passage of this appropriation measure by suggesting the absence of a quorum. I do not wish to do that. If the Senator feels that way about it and if he is serious in his view, I shall temporarily withhold the suggestion of the absence of a quorum.

Mr. McKELLAR. The Senator can demand the regular order at any time, and in that way he can have the Senate proceed with the unfinished business.

Mr. HILL. Mr. President, the Senate can dispose of noncontroversial items at this time without the suggestion of the absence of a quorum, and in that way we can proceed to handle some parts of the measure.

Mr. TAFT. Mr. President, I feel very strongly that a quorum should be present for the consideration of the joint resolution or any similar measure. No notice has been given that the joint resolution would be brought forward for consideration this afternoon. There may be Senators on this side of the aisle who did not know that it was coming up, and I think it is important that they be present, so as to be informed that it is about to come up.

Mr. McKELLAR. Then, Mr. President, I withdraw my request, but I desire now to give notice that at the first possible opportunity I shall call up House Joint Resolution 266, making an additional appropriation for the United Nations Relief and Rehabilitation Administration. If the unfinished business remains before the Senate for quite a time, later on I may ask unanimous consent to bring up the joint resolution, and I wish all Senators to know that I desire to have the joint resolution acted upon by the Senate at the earliest possible moment.

#### EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. TAYLOR in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

(For nominations this day received, and nomination withdrawn, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Brig. Gen. Alden Harry Walitt (lieutenant colonel, Chemical Warfare Service), Army of the United States, for appointment in the Regular Army of the United States as Chief of the Chemical Warfare Service, with the rank of major general, for a period of 4 years from date of acceptance, vice Maj. Gen. William Nichols Porter, whose term of office expired May 30, 1945;

Sundry officers in the Regular Army of the United States; and

William Green de Rosset, for appointment as records analyst, national headquarters, Selective Service System, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

#### UNITED STATES DISTRICT JUDGE

The legislative clerk read the nomination of Arthur J. Mellott, of Kansas, to be United States district judge for the district of Kansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### UNITED STATES ATTORNEY

The legislative clerk read the nominations of Henry L. Hess, of Oregon, to be United States attorney for the district of Oregon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### UNITED STATES MARSHAL

The legislative clerk read the nomination of Russell Nichols to be United States marshal for the northern district of West Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc, and that the President be notified forthwith of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc; and, without objection, the President will be immediately notified of the confirmation of those nominations.

Mr. HILL. I ask unanimous consent that the President be notified forthwith of the confirmation of all other nominations acted on today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of all other confirmations of today.

#### RECESS

Mr. HILL. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 44 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, November 28, 1945, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate November 27 (legislative day of October 29), 1945:

##### DIPLOMATIC AND FOREIGN SERVICE

The following named persons now foreign-service officers of class 6 and secretaries in the diplomatic service, to be also consuls of the United States of America:

M. Williams Blake, of Ohio.  
Overton G. Ellis, Jr., of Washington.  
Beppo R. Johansen, of Florida.  
Herbert V. Olds, of Massachusetts.  
Rolland Welch, of Texas.  
Robert E. Wilson, of Arizona.

##### COLLECTOR OF CUSTOMS

Harry A. Zinn, of Denver, Colo., to be collector of customs for customs collection dis-







DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE  
(Issued December 6, 1945, for actions of Wednesday, December 5, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed UNRRA-appropriation measure. House began debate on UNRRA-authorization bill. House committee reported full-employment bill. Senate made Federal-pay-bill its order of business.

SENATE

1. UNRRA APPROPRIATIONS. Passed as reported H.J.Res. 266, providing \$550,000,000 additional for UNRRA (pp. 11636-43). Agreed to committee amendments to strike out the language requiring surplus agricultural commodities, as determined by the Secretary of Agriculture, to be utilized in filling UNRRA requisitions for food and agricultural commodities, and to strike out the "free press" provision.  
Sens. McKellar, Glass, Hayden, Tydings, Russell, Overton, Brooks, Bridges, Gurney, and Ball were appointed conferees (p. 11643).
2. PHILIPPINE REHABILITATION. Passed with amendments S. 1610, to provide for rehabilitation of the Philippines (pp. 11644-50).
3. FEDERAL-PAY BILL. Agreed to Sen. Downey's (Calif.) motion to make S. 1415, the Federal-pay bill, the next order of business (pp. 11631-2, 11650-1).  
obtained consent
4. MISSOURI VALLEY AUTHORITY. Sen. Langer, W.Dak., to submit his views on S. 555, the MVA bill (S.Rept. 639, pt. 2)(p. 11632).
5. MISSISSIPPI RIVER COMMISSION. Commerce Committee reported favorably the nomination of Col. Clark Kittrell to be a member of the Mississippi River Commission (p. 11652).

HOUSE

6. UNRRA AUTHORIZATION. Began debate on H.R. 4649, to increase appropriation authorization for UNRRA from \$1,350,000,000 to \$2,700,000,000 (pp. 11659-98).  
Rep. Stefan, Nebr., discussed development of a new non-profit organization to furnish food to relatives and friends in foreign countries and inserted



farmers' organizations' letters favoring foreign relief (pp. 11666-8).

Rep. Douglas, Calif., commended UNRRA's food-distribution and school-lunch program in Italy and elsewhere (pp. 11678-81, 11684-6).

Rep. Rabaut, Mich., discussed dairy products, wheat, and cotton as related to UNRRA's program (p. 11682).

Rep. Gordon, Ill., discussed estimated food needs as predicated on the next agricultural-production crop year (pp. 11686-7).

Rep. Flood, Pa., commended the UNRRA relief program and discussed farm-production programs in foreign countries (pp. 11688-90).

Rep. Sadowski, Mich., commended shipments to Poland of food, farm equipment, fertilizers, seed, and farm animals (pp. 11695-6).

7. FULL EMPLOYMENT. The Expenditures in the Executive Departments Committee reported with amendment S. 380, the full-employment bill (p. 11704).

8. SURPLUS PROPERTY. Rep. Rich, Pa., spoke urging that the Surplus Property Administrator be given "the power to dispose of...surplus property" (p. 11658).

#### BILLS INTRODUCED

9. SMALL BUSINESS. S. Res. 199, by Sen. Murray, Mont., to increase the limit of expenditures of the Senate Small Business Committee by \$187,000. To Audit and Control Committee. (p. 11633.)

10. PERSONNEL. H. J. Res. 284, by Rep. Tolan, Calif., to amend the Employees' Compensation Act for the purpose of making the 100-percent earning provisions effective as of Jan. 1, 1942. To Judiciary Committee. (p. 11705.)

#### ITEMS IN APPENDIX

11. FOREIGN LOANS. Extension of remarks of Rep. White, Idaho, opposing loans to Britain; criticizing some publications, which he inserted, for supporting the loans; and including some statistics on lend-lease and British resources (pp. A5683-6).

12. TURKEYS. Extension of remarks of Rep. Angell, Oreg., including Frank Barton's Portland, Oregonian article, describing the Oregon turkey crop (p. A5687).

13. FARM ORGANIZATIONS; FARM PROGRAM. Extension of remarks of Rep. White, Idaho, commending farm organizations and including Idaho Farmers Union resolutions favoring surplus-commodity disposal to farm cooperatives, establishment of a Columbia Valley Authority, and agriculture on a parity with other industries, and opposing the Springston dam which will "flood...farm land" (pp. A5687-9).

14. COLUMBIA VALLEY AUTHORITY. Rep. Angell, Oreg., inserted Richard Neuberger's favoring, and Robert Sawyer's opposing, Sunday Oregonian articles on this subject (pp. A5691-5).

15. FOREIGN RELIEF. Extension of remarks of Rep. Pittenger, Minn., favoring foreign relief but criticizing UNRRA administration (pp. A5700-1).

16. PRICE CONTROL. Rep. Lane, Mass., inserted some correspondence favoring price control to avert inflation (p. A5707).

#### BILL APPROVED BY THE PRESIDENT

17. ACCOUNTING. H. R. 4350, to provide for the liberalization of the existing law



Mr. BILEO. My attention was also directed to conditions in the local office of UNRRA in the District of Columbia, where recently a counterfeiting outfit has been uncovered in the office itself. They had one employee who was engaged in counterfeiting Uncle Sam's money, and was operating under four different names. Evidently there must be some loose business somewhere in the formation of the personnel to handle this vast sum of money.

Mr. McKELLAR. All I can say to the Senator in reply is that I never before heard of the incident he has mentioned. I suppose I should have read the papers more closely. I hope to heaven that if there has been any counterfeiting or any other criminal action on the part of UNRRA officials or employees, or anyone else, they will be prosecuted and given the limit, because any person who will cheat, swindle, or defraud in the case of charity money should receive very severe punishment. Under certain circumstances I might tell him where I thought he should go.

Mr. BILBO. Two of these employees of UNRRA—and I understand they were all getting handsome salaries—were caught counterfeiting money at Fourteenth and P Streets, in the District of Columbia. They were working out of the office, which is at 1344 Connecticut Avenue. They are now in custody for counterfeiting.

Mr. McKELLAR. I hope they are not only in custody, but that they will soon be tried and put in jail for their crimes, because, regardless of where they work or the nature of their employment, if they are violating the law, they should be punished.

Mr. BILBO. The point I was making was that there must have been some looseness in the organization of those handling this vast sum of money, or they would not have hired as an employee of UNRRA a man who had a record of operating under three different names.

Mr. BYRD. Mr. President, I should like to ask the Senator from Tennessee a question.

Mr. McKELLAR. I shall try to answer.

Mr. BYRD. I understood from the Senator from Tennessee and the Senator from Arizona that all the other countries had paid their allotments.

Mr. McKELLAR. Yes. We pay about 71 percent of the entire amount, but the other nations have contributed quotas.

Mr. BYRD. It has only been done recently, then.

Mr. McKELLAR. That was the testimony before our committee.

Mr. BYRD. Governor Lehman was before the Joint Committee on Reduction of Nonessential Federal Expenditures about a month ago. My understanding is that a country's quota is based upon 1 percent of its national income.

Mr. McKELLAR. That is true.

Mr. BYRD. And the country itself fixes the figures as to its national income.

Mr. McKELLAR. Yes.

Mr. BYRD. In other words, the organization apparently has nothing to do with it. Then the payments are made in kind. For instance, a country such as

Brazil may furnish coffee. I understand only about 10 percent of the payment is made in cash.

Mr. McKELLAR. That is true. The same rule applies to us, of course.

Mr. BYRD. It occurred to me, in the investigation we conducted, that there was no proper supervision to see that the countries which paid in kind made a reasonable charge for what they furnished. They may furnish meat, they may furnish sugar, or some other commodity, but apparently each country determines the amount of its national income on which its 1-percent allotment is based, and also fixes the prices of the materials it furnishes in kind. I merely call the attention of the Senator from Tennessee to this because I think when the next bill is drawn it should be put in much better form than the measure which is now before the Senate.

Mr. McKELLAR. The matter should be much more carefully gone into. That is a legislative matter, and comes before the Committee on Foreign Relations, and I urge the members of that committee, as I have already done, to go into that and all other questions, such as the one raised by the Senator from Mississippi and questions other Senators have suggested. This is charity money, and it should go to people who are in need, who are suffering either for food or clothing or medicine.

Mr. BYRD. Of course, the other bill will come before the Senate.

Mr. McKELLAR. Of course it will.

The PRESIDING OFFICER. The question is on that part of the amendment to strike out all from page 2, line 2, after the figures "1947", down to and including line 7.

The amendment was agreed to.

The next amendment of the committee was to strike out beginning with line 8, page 2, down to and including line 11, page 4, as follows:

No part of the appropriation herein shall be available subsequent to December 31, 1945, for the furnishing of relief or rehabilitation supplies or services to any country unless and until (A) the President has received from the Director General of the United Nations Relief and Rehabilitation Administration a certification to the effect that the furnishing by such Administration of relief and rehabilitation supplies and services, in the case of such country, will be made only under agreements between United Nations Relief and Rehabilitation Administration and such country or other suitable arrangements providing:

(1) That all trade agreements and all barter agreements of such country with other nations, together with satisfactory information on all exports from, and imports into, such country, whether for governmental or private account, will be made available to United Nations Relief and Rehabilitation Administration.

(2) That such country shall supply accredited United Nations Relief and Rehabilitation Administration personnel with all necessary facilities, credentials, documents, and safe conduct in carrying out the objectives of the United Nations Relief and Rehabilitation Administration agreement, including all necessary inspections and investigations.

(3) That the Administration, if it determines such a course to be desirable, will be permitted, during the period of its operations in such country, to retain title to all motor transport equipment supplied by the Ad-

ministration, and will also be permitted to route such equipment and to direct the use of the fuel and lubricants supplied by the Administration.

(B) That for the purpose of keeping the people of the United States fully and properly informed as to the need for and the use of the relief and aid being or to be furnished various countries and peoples by the United Nations Relief and Rehabilitation Administration, that none of the funds appropriated hereby, or none of the commodities, supplies, materials, or services purchased or obtained through the expenditures of funds provided herein, shall be furnished to or used in any country of which the controlling government interferes with or refuses full and free access to the news of any and all activities of the United Nations Relief and Rehabilitation Administration by representatives of the press and radio of the United States; or maintains any barrier—technical, political, legal, or economic—to obtaining, dispatching, and disseminating the news of any and all activities of the United Nations Relief and Rehabilitation Administration, or discriminates against the representatives of the press and radio of the United States in rates and charges for facilities used in collecting and dispatching such news; or censors, or attempts to censor, in time of peace, news of any and all activities of the United Nations Relief and Rehabilitation Administration which may be prepared in or dispatched from such country by representatives of the press and radio of the United States.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 266) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. OVERTON, Mr. BROOKS, Mr. BRIDGES, Mr. GURNEY, and Mr. BALL conferees on the part of the Senate.

#### APPROPRIATION FOR THE CONTINGENT EXPENSES OF THE SENATE

Mr. McKELLAR. Mr. President, I report favorably from the Committee on Appropriations an original Senate joint resolution, making appropriations for contingent expenses of the Senate. The joint resolution carries an appropriation of \$400,000 to be turned over to Mr. Oco Thompson, the financial clerk of the Senate, to pay expenses of investigations which have been authorized. The fund is entirely depleted, and it is necessary to appropriate this money.

The joint resolution (S. J. Res. 125) was read twice by its title.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be



engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.,* That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$400,000 for contingent expenses of the Senate, expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rates as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents fiscal year 1946: *Provided, That* no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

#### REHABILITATION OF THE PHILIPPINE ISLANDS

Mr. TYDINGS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1610, to provide for the rehabilitation of the Philippine Islands, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes.

The bill is as follows:

*Be it enacted, etc.,* That this act may be cited as the "Philippine Rehabilitation Act of 1945."

#### TITLE I—COMPENSATION FOR WAR DAMAGE

SEC. 101. (a) There is hereby established a Philippine War Damage Commission (in this title referred to as the "Commission"). The Commission shall consist of three members, to be appointed by the President of the United States. One of the members of the Commission shall be a Filipino. The members of the Commission shall receive compensation at the rate of \$10,000 a year. The terms of office of the members of the Commission shall expire at the time fixed in subsection (d) for winding up the affairs of the Commission. A vacancy in the membership of the Commission shall not impair the authority of the remaining two members of the Commission to exercise all of its functions. Vacancies occurring in the membership of the Commission shall be filled in the same manner as in the case of the original selection. Members of the Commission shall receive their necessary traveling and other expenses incurred in connection with their duties as such members, or a per diem allowance in lieu thereof.

(b) The Commission may, without regard to the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation of such officers and employees, and may make such expenditures, as may be necessary to carry out its functions. Officers and employees of any other department or agency of the Government may, with the consent of the head of such department or agency, be assigned to assist the Commission in carrying out its functions. The Commission may, with the consent of the head of any other department or agency of the Government, utilize the facilities and services of such department or agency in carrying out the functions of the Commission.

(c) The Commission may prescribe such rules and regulations as are necessary for carrying out its functions, and may delegate functions to any member, officer, or employee of the Commission or of any other department or agency of the United States or of the Commonwealth of the Philippines.

(d) The Commission shall, so far as practicable, give consideration to, but need not await, or be bound by, the recommendations of the Filipino Rehabilitation Commission (created by the act approved June 29, 1944) with respect to Philippine war damage. The

Commission shall wind up its affairs not later than 2 years after the expiration of the time for filing claims under this title.

SEC. 102. (a) The Commission is hereby authorized to make compensation to the extent hereinafter provided on account of physical loss of or damage to property in the Philippine Islands occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of one or more of the following perils: (1) Enemy attack (including action taken by or at the request of the military, naval, or air forces of the United States in resisting enemy attack); (2) action taken by enemy representatives, civil or military, or by the representatives of any government cooperating with the enemy; (3) action by the armed forces of the United States or other forces cooperating with the armed forces of the United States in expelling the enemy from the Philippine Islands; (4) looting, pillage, or other lawlessness or disorder accompanying the collapse of civil authority or incidental to control by enemy forces: *Provided, That* such compensation shall be payable only to qualified persons having, on December 7, 1941 (Philippine time), and continuously to and including the time of loss or damage, an insurable interest as owner, mortgagee, lien holder, or pledgee in such property so lost or damaged: *Provided further, That* any qualified person who acquired any deceased person's interest in any property either (1) as heir, devisee, legatee, or distributee, or (2) as executor or administrator of the estate of any such deceased person for the benefit of one or more heirs, devisees, legatees, or distributees, all of whom are qualified persons, shall be deemed to have had the same interest in such property during such deceased person's lifetime that such deceased person had: *Provided further, That* no payment or payments shall be made in an aggregate amount which exceeds whichever of the following amounts, as determined by the Commission, is less: (a) The actual cash value, at the time of loss, of property lost or destroyed and the amount of the actual damage to other property of the claimant which was damaged as a direct result of the causes enumerated in this section; (b) the cost of repairing or rebuilding such lost or damaged property, or replacing the same with other property of like or similar quality: *Provided further, That* in case the aggregate amount of the claims which would be payable to any one claimant under the foregoing provisions exceeds \$500, the aggregate amount of the claims payable to such claimant shall be reduced by 25 percent of the excess over \$500.

(b) When used in this section, the term "qualified person" means—

(1) any individual, who on December 7, 1941 (Philippine time), and continuously to the time of filing claim pursuant to this title, was a citizen of the United States or of the Philippine Commonwealth or of the Philippine Republic;

(2) any individual, who at any time subsequent to September 16, 1940, and prior to August 14, 1945, served honorably in the armed forces of the United States or of the Philippine Commonwealth, or honorably performed "service in the merchant marine" (as defined in the first section of the act entitled "An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes," approved June 23, 1943);

(3) any church or other religious organization; and

(4) any corporation (or, upon dissolution, its successor if it satisfies the requirements of this paragraph (4)) organized pursuant to the laws of any of the several States or of the United States or of any Territory or possession thereof (including any corporation or sociedad anonima organized pursuant to the laws in effect in the Philippine Islands at the time of its organization), but excluding any corporation wholly owned by the

Commonwealth of the Philippines (or the Philippine Republic).

SEC. 103. The Commission shall make no payment under the provisions of this title—

(a) to any enemy alien;

(b) to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy, or of any act involving disloyalty to the United States or the Philippine Commonwealth;

(c) to any corporation or sociedad anonima owned or controlled by any of the persons specified in clauses (a) and (b) of this section;

(d) to compensate for any loss of or damage to property which, at the time of loss or damage, was insured against any one or more of the perils specified in section 102 hereof, except to the extent that the loss or damage exceeds the amount of such insurance, whether or not collectible;

(e) to compensate for any loss or damage—

(1) for which the War Department or the Navy Department is authorized to make payment, or

(2) for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid, by the Philippine Government or by the United States Government or by their respective departments, establishments, or agencies, unless the Government, department, establishment, or agency concerned has declined to pay compensation or indemnity for such loss or damage;

(f) unless the claimant shall file with the Commission, within 9 months after the enactment hereof, a claim in reasonable conformity with the requirements of this title and such reasonable regulations as shall be established by the Commission.

SEC. 104. (a) No claim shall be paid unless approved by the Commission or its authorized representatives, and on account of each claim so approved the Commission may make immediate payment of (1) so much of the approved amount of the claim as does not exceed \$500 or 1,000 Philippine pesos, plus (2) 80 percent of the remainder of the approved amount of the claim. After the time for filing claims has expired, the Commission shall determine the amount of money available for the further payment of claims. Such funds shall be applied pro rata toward the payment of the unpaid balances of the amounts authorized to be paid pursuant to section 102 of this title.

(b) Of the funds appropriated for the purpose of paying compensation under this title, \$5,000,000 shall be set aside for the payment of claims filed by churches and other religious organizations on account of loss of or damage to property consisting of churches, parish houses, and other property devoted to religious purposes (excluding schools, hospitals, and other charitable institutions). Subsection (a) of this section shall not be applicable with respect to claims filed by churches and other religious organizations with respect to such property; but, after the time for filing claims has expired, the funds set aside pursuant to this subsection shall be applied pro rata toward paying such amounts as are authorized to be paid pursuant to section 102 with respect to claims filed by churches and other religious organizations with respect to such property, and shall be applied without discrimination to the proportional payment of all allowable claims filed by churches and other religious organizations with respect to such property. No payments with respect to such claims shall be made except from the funds set aside pursuant to this subsection.

(c) The Commission may, at its option, make payment, in whole or in part, of the amount payable in the case of any claim authorized to be paid under this title by rebuilding or repairing lost or damaged property, or replacing it with other property of like or similar kind. The amount expended for such purpose in any case, including the



fair value of property transferred to the claimant, shall be deemed to have been paid to the claimant on account of his claim, and such amount shall in no case exceed the amount authorized to be paid under this title on account of such claim. The Commission is authorized to acquire such property, to have such work done, to make such contracts, and to take such other action as may be necessary for the purposes of this subsection.

(d) All of the provisions of this title shall be subject to the requirement that, to the fullest extent practicable, the Commission shall require that the lost or damaged property be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this title.

SEC. 105. Not later than 6 months after its organization, and every 6 months thereafter, the Commission shall make a report to the Congress concerning operations under this title.

SEC. 106. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amount of \$330,000,000 for the purposes of paying compensation to the extent authorized by this title, and of such sum, not to exceed \$1,500,000 shall be available to pay the expenses of the Commission.

(b) Any sums received by the United States from the Japanese Government or the Japanese people by way of reparations or indemnity on account of the war—

(1) shall be covered into the Treasury of the United States until the sums so covered into the Treasury are equal to the sum of the amounts appropriated for the payment of compensation under this title and the amounts appropriated for carrying out the purposes of title III of this act;

(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, one-half of any further sums so received by the United States from the Japanese shall be covered into the Treasury of the United States and the other one-half shall be paid to the Government of the Commonwealth of the Philippines (or the Philippine Republic) until the amount so paid to such government plus the amounts appropriated for the payment of compensation under this title and the amount appropriated for carrying out the purposes of title III are equal to the amount estimated by the Commission to represent the total loss of and damage to real and tangible personal property in the Philippine Islands from the causes enumerated in section 102 (a); and

(3) thereafter shall be covered into the Treasury of the United States.

SEC. 107. Whoever, in the Philippine Islands or elsewhere, makes any statement or representation knowing it to be false, or whoever willfully overvalues loss of or damage to property for the purpose of obtaining for himself or for any claimant any compensation pursuant to this title, or for the purpose of influencing in any way the action of the Commission with respect to any claim for compensation pursuant to this title, or for the purpose of obtaining money, property, or anything of value under this title, shall, upon conviction, be punished by a fine of not more than \$5,000 or by imprisonment for not more than 2 years, or both.

SEC. 108. No remuneration on account of services rendered or to be rendered, to or on behalf of any claimant in connection with any claim for compensation pursuant to this title shall exceed 5 percent of the compensation paid by the Commission on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the Philippine Islands or elsewhere, receives on account of services rendered or to be rendered in connection with any claims for compensation hereunder, any remuneration in excess of the maximum permitted by this section shall be deemed guilty of a misde-

meanor and, upon conviction thereof, shall be fined not more than \$1,000 or imprisoned for not more than 6 months, or both.

SEC. 109. Except as lawfully provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation pursuant to subsection (a) of section 5g of the Reconstruction Finance Corporation Act, as amended, the authority herein granted to the Philippine War Damage Commission shall be in lieu of and shall supersede all authority previously conferred on the War Damage Corporation to furnish protection or pay compensation with respect to property situated, at the time of loss or damage, in the Philippine Islands, and the protection authorized to be extended and the compensation authorized to be paid by the Philippine War Damage Commission shall be in lieu of all protection heretofore extended or authorized to be extended by the War Damage Corporation with respect to property situated, at the time of loss or damage, in the Philippine Islands, except to the extent provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation. The War Damage Corporation is hereby prohibited from providing for or paying compensation for war damage in the Philippine Islands except to the extent provided in its policies of insurance heretofore or hereafter issued in consideration of a premium paid therefor.

SEC. 110. The classes of property enumerated in this section, whether situated in the Philippine Islands or elsewhere, are hereby excluded from protection, compensation, or consideration under this title, and the Commission shall not make any payment, directly or indirectly, on account of loss of or damage to such classes of property:

(1) Accounts, bills, records, films, plans, drawings, formulas, currency, deeds, evidences of debt, securities, money, bullion, furs, jewelry, stamps, precious and semiprecious stones, works of art, antiques, stamp and coin collections, manuscripts, books and printed publications more than 50 years old, models, curiosities, objects of historical or scientific interest, and pleasure aircraft;

(2) Vessels and watercraft, their cargoes and equipment, except (a) vessels used or intended to be used exclusively for storage, housing, manufacturing, or generating power, (b) vessels while under construction until delivery by the builder, or sailing on delivery or trial trip, whichever shall first occur, and (c) vessels propelled by sail;

(3) Real property (other than standing timber, growing crops, and orchards) not a part of a building or structure;

(4) Intangible property;

(5) Passenger-carrying motor vehicles except those used principally for commercial purposes;

(6) Property diverted to the Philippine Islands, by authority of the United States Government or otherwise, as a result of war conditions; and

(7) Property in transit (a) which at the time of loss or damage was insured against war perils, or (b) with respect to which insurance against such perils was available, at the time of loss or damage either at reasonable commercial rates or from the United States Maritime Commission.

SEC. 111. All departments, commissions, offices, agencies, and instrumentalities of the United States Government, upon the written request of the Commission, are authorized to make delivery and conveyance to designated claimants, or to the Commission, of any surplus property of the United States in the Philippine Islands deemed by the Commission to be similar to that for which compensation is requested, or to be suitable for the rebuilding or repair of the property damaged or destroyed. The transfer of such property to such claimants shall be at the fair value of the property as fixed by the dis-

posal agency. The Commission shall pay such fair value to the disposal agency.

SEC. 112. The War Damage Corporation is authorized and directed to consult with, and in every manner possible to assist and cooperate with, the Commission, to aid the Commission in its performance of duties hereunder, and to make available to or deliver to the Commission all records, claims, files, and other documents in its possession pertaining to Philippine claims. The Commission is authorized to give such weight as it may deem proper to any reports, certificates, or recommendations of the War Damage Corporation, or its adjusters or claims service offices.

SEC. 113. The Commission shall notify all claimants of the approval or denial of their claims, and, if approved, shall notify such claimants of the amount for which such claims are approved. Any claimant whose claim is denied, or is approved for less than the full allowable amount of said claim, shall be entitled, under such regulations as the Commission may prescribe, to a hearing before the Commission or its representatives with respect to such claim. Upon such hearing, the Commission may affirm, modify, or reverse its former action with respect to such claim, including a denial or reduction in the amount of a claim theretofore approved. All findings of the Commission concerning the amount of loss or damage sustained, the cause of such loss or damage, the persons to whom compensation pursuant to this title is payable, and the value of the property lost or damaged, shall be conclusive and shall not be reviewable by any court.

#### TITLE II—DISPOSAL OF SURPLUS PROPERTY

SEC. 201. In order to expedite the disposition of surplus property of the United States in the Philippine Islands and to aid in—

(1) repairing and replacing buildings, equipment, and other property of the Commonwealth of the Philippines and other governmental units in the Philippines, in cases where such buildings, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise restoring and facilitating the normal operations of governmental units in the Philippines;

(2) restoring and providing essential public buildings, services, works, and utilities, including hospitals, schools, and other institutions furnishing essential health and welfare services in the Philippines; and

(3) rehabilitating the economy of the Philippines and aiding and encouraging private enterprise in such economy;

the Department of State, the disposal agency for the Philippines designated under the Surplus Property Act of 1944, acting through the Foreign Liquidation Commissioner (hereinafter referred to as the "Commissioner"), is hereby authorized, notwithstanding any other provision of law, to transfer to the Commonwealth of the Philippines, without reimbursement, property of the United States now or hereafter located in the Philippine Islands and declared surplus under the Surplus Property Act of 1944, upon such terms and conditions, including the use or disposition of such property by the Commonwealth of the Philippines, as the Commissioner may deem appropriate to carry out the purposes of this title.

SEC. 202. At the time any such property is so transferred to the Commonwealth of the Philippines, the Commissioner shall make a record of (1) the items transferred, (2) the condition of such items, and (3) his estimate of the fair value of such items. The Department of State shall furnish a copy of such record to the Surplus Property Administrator, and shall also make quarterly reports to the President and the Congress concerning the administration of this title.

SEC. 203. Any surplus property now or hereafter located in the Philippines which is not transferred to the Commonwealth of



the Philippines under section 201, may be disposed of by the Commissioner by sale, upon such terms and conditions as the Commissioner determines to be best suited for achieving the purposes stated in section 201, and without regard to other provisions of law relating to the sale or disposition of property of the United States. Any such sale may be made for a consideration greater or less than the fair value of the property concerned. In making such sale, the Commissioner may accept pesos as consideration. Any such surplus property which has not been disposed of by the Commissioner may be requisitioned by any other department or agency of the United States for its own use; and, upon the receipt of any such requisition, the Commissioner shall transfer such property to the requisitioning department or agency upon reimbursement of the fair value thereof. The proceeds derived from any disposal of surplus property by the Commissioner under this title shall be covered into the Treasury of the United States. If the consideration upon any disposal of property by the Commissioner be other property, such other property may be disposed of by the Commissioner in the same manner as surplus property located in the Philippines.

SEC. 204. No military weapons, munitions, or toxic gas shall be transferred or otherwise disposed of under this title.

SEC. 205. The Commissioner is authorized to appoint an advisory committee to advise him upon the action to be taken by him under this title.

SEC. 206. The fair value of the property transferred to the Commonwealth of the Philippines under this title, as estimated by the Commissioner, shall not exceed \$30,000,000 in the aggregate.

SEC. 207. The Commissioner may prescribe such rules and regulations as may be necessary for the performance of his functions under this title, and may delegate and authorize successive redelegations of any authority conferred upon him by this title to any officer or employee of his agency or of any other department or agency of the United States or of the Commonwealth of the Philippines.

#### TITLE III—RESTORATION AND IMPROVEMENT OF PUBLIC PROPERTY AND ESSENTIAL PUBLIC SERVICES

SEC. 301. As a manifestation of good will to the Filipino people, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, (1) the sum of \$120,000,000, to be allocated from time to time by the President of the United States among the various programs set forth in sections 302, 303, 304, and 305, and (2) such additional sums as may be necessary to carry out the purposes of sections 306 to 311, inclusive.

##### PUBLIC ROADS

SEC. 302. (a) As recommended in a report based upon an investigation now being made in the Philippine Islands by the Public Roads Administration of the Federal Works Agency, and to the extent that the findings in such report are approved by the President, the Public Roads Administration is authorized to plan, design, restore, and build, in accordance with its usual contract procedures, such roads, essential streets, and bridges as may be necessary from the standpoint of the national defense and economic rehabilitation and development of the Philippine Islands.

(b) The Commissioner of Public Roads is authorized, under such regulations as he may adopt, to provide training for not to exceed 10 Filipino engineers, to be designated by the President of the Philippine Islands from the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, maintenance, and highway traffic engineering and control necessary for the continued maintenance and for the ef-

ficient and safe operation of highway transport facilities.

##### PORT AND HARBOR FACILITIES

SEC. 303. (a) As recommended in a report based upon an investigation now being made in the Philippine Islands by the Corps of Engineers of the United States Army and to the extent that the findings in such report are approved by the President, the Corps of Engineers is authorized to carry out a program for the rehabilitation, improvement, and construction of port and harbor facilities in the Philippine Islands, such work to be done by contract, insofar as practicable, under the direction of the Secretary of War and the supervision of the Chief of Engineers, and in accordance with established procedures applicable to river and harbor projects.

(b) The Chief of Engineers of the Army is authorized, under such regulations as he may adopt, to provide training for not to exceed 10 Filipino engineers, to be designated by the President of the Philippine Islands from among the engineer officers of the Philippine Army and the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, improvement, and maintenance of port facilities and other works of improvements on rivers and harbors.

##### PUBLIC PROPERTY

SEC. 304. The Philippine War Damage Commission, within the limits of the appropriations allocated to it for carrying out the provisions of this section, is authorized to compensate the Commonwealth of the Philippines (or the Philippine Republic), the provincial governments, chartered cities, municipalities, and corporations wholly owned by the Commonwealth of the Philippines (or the Philippine Republic), in the Philippine Islands, for physical loss of or damage to public property in the Philippine Islands occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of the perils listed in section 102 (a) hereof, in any case in which compensation for such losses or the rebuilding, repair, or replacement of the lost or damaged property is not provided for by the transfer of surplus property under section 201 hereof, or provided for under the provisions of this title other than this section or otherwise provided for by the United States Government or any department or agency thereof. To the fullest extent practicable, the Commission shall require that any lost or damaged property for which it decides to award compensation under this section shall be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this section. The Commission in its discretion may request the Federal Works Agency or the Corps of Engineers of the United States Army to undertake the rebuilding, repair, or replacement of property for which the Commission awards compensation under this section, and, from the funds available for carrying out the provisions of this section, may transfer to such Agency or Corps of Engineers the funds necessary to pay for the work requested. The Federal Works Agency and the Corps of Engineers are authorized to rebuild, repair, or replace property in accordance with any such request of the Commission and to expend the funds so transferred to them for such purpose. The Commission shall have full power to select, and fix the priority of, cases in which compensation will be awarded or property rebuilt, repaired, or replaced under this section, and to determine the amount of such compensation and the extent to which such property will be rebuilt, repaired, or replaced, taking into account the relative importance of various projects to the reconstruction and reconversion of the economy of the Philippine Islands and such other factors as the Commission deems relevant.

##### PUBLIC HEALTH

SEC. 305. (a) The Public Health Service of the Federal Security Agency is authorized to cooperate with the Government of the Philippine Islands, and with other appropriate agencies or organizations, in the rehabilitation and development of public health services and facilities throughout the Philippine Islands.

(b) To accomplish such purposes the Public Health Service shall at the earliest practicable time survey the health situation in the Philippine Islands, and is authorized to replace, expand, or install such health services and facilities in the Philippine Islands as are deemed essential to preservation of health, and may assist in the rehabilitation and development of a Philippine quarantine service for prevention of introduction of disease from abroad or from one island to another. The Public Health Service may set up demonstrations and establish training centers in the Philippine Islands; may establish and maintain in the Philippine Islands a school or schools for the purpose of providing practical instruction in public health; and may, at any time prior to January 1, 1948, provide 1 year of training in appropriate schools or colleges in the United States to not more than 100 Filipinos, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in public health methods and administration. It may replace equipment and supply reasonably necessary additional equipment, utilizing for this purpose, so far as possible, surplus property, and may recommend to the Commission the repair or construction under the provisions of section 304, at any time prior to July 1, 1950, of buildings deemed essential to the rehabilitation of public health and quarantine functions.

##### INTER-ISLAND COMMERCE

SEC. 306. (a) In order to restore and improve inter-island commerce in the Philippine Islands, the United States Maritime Commission is authorized to charter under such terms and conditions (including nominal rates of charter hire) vessels of less than 2,000 gross tons to individuals, corporations, or cooperatives or other forms of business organizations in the Philippine Islands if the Commission determines that they possess the ability, experience, financial resources, and other qualifications, necessary to enable them to operate and maintain the vessel in the inter-island commerce in the Philippine Islands: *Provided*, That any charter entered into under the authority of this section shall contain a provision requiring that the vessel shall be operated only in the inter-island commerce in the Philippine Islands.

(b) The Chairman, United States Maritime Commission, is hereby authorized to permit not exceeding 50 Filipinos each year, to be designated by the president of the Philippine Islands subject to the provisions of section 311 (c), to receive instruction in the United States Merchant Marine Cadet Corps and at the United States Merchant Marine Academy at Kings Point, N. Y. The persons receiving instruction under authority of this section shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the chairman, United States Maritime Commission, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadet midshipmen at the Merchant Marine Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States merchant marine by reason of their graduation from the Merchant Marine Academy.

##### INTER-ISLAND AIR NAVIGATION

SEC. 307. (a) The Administrator of Civil Aeronautics of the Department of Commerce



is authorized to acquire, establish, operate, and to maintain a system of air-navigation facilities and associated airways communications services in the Philippine Islands for inter-island airways operation and to connect the Philippine airways with international and interoceanic routes.

(b) The Administrator of Civil Aeronautics is authorized, under such regulations as he may adopt, to train not exceeding 50 Filipinos each year, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in air-traffic control, aircraft communications, maintenance of air-navigation facilities, and such other airman functions as are deemed necessary for the maintenance and operation of aids to air navigation and other services essential to the orderly and safe operation of air traffic.

#### WEATHER INFORMATION

SEC. 308. (a) The Chief of the Weather Bureau of the Department of Commerce is authorized to establish meteorological facilities in the Philippine Islands as may be required to provide weather information, warnings, and forecasts for general agricultural and commercial activities, including meteorological service for the air routes on which air-navigation facilities are operated by the Civil Aeronautics Administration, and to maintain such meteorological offices until the Philippine Weather Bureau is reestablished and in position to assume responsibility for the service.

(b) The Chief of the Weather Bureau of the Department of Commerce is authorized, under such regulations as he may adopt, to train not to exceed 50 Filipinos in the first year and not to exceed 25 Filipinos in each succeeding year, the trainees to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), and the training to include meteorological observations, analyses, forecasting, briefing of pilots, and such other meteorological duties as are deemed necessary in maintenance of general weather service, including weather information required for air navigation and the safe operation of air traffic. The training of these employees shall be in addition and not in lieu of Weather Bureau employees to be trained under current Weather Bureau appropriations.

#### PHILIPPINE FISHERIES

SEC. 309. (a) The Fish and Wildlife Service of the Department of the Interior is authorized to cooperate with the Government of the Philippine Islands, and with other appropriate agencies or organizations, in the rehabilitation and development of the fishing industry, and in the investigation and conservation of the fishery resources of the Philippine Islands and adjacent waters.

(b) To accomplish such purposes the Fish and Wildlife Service shall conduct oceanographic, biological, fish cultural, technological, engineering, statistical, economic, and market development studies and demonstrations and fishery explorations, and, in conjunction therewith may establish and maintain a vocational school or schools of fisheries in the Philippine Islands for the purpose of providing practical instruction and training in the fisheries; and may, at any time prior to July 1, 1950, provide 1 year of training to not more than 125 Filipinos, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in methods of deep-sea fishing and in other techniques necessary to the development of fisheries.

(c) The Fish and Wildlife Service is authorized to acquire, construct, maintain, equip, and operate such research and experimental stations, schools, research and exploratory fishing vessels, or any other facilities in the Philippine Islands that may be necessary to carry out the purposes of this section.

(d) The Maritime Commission is author-

ized, upon recommendation of the Fish and Wildlife Service of the Department of the Interior, to make arrangements for the transfer by sale or charter of small vessels, considered by the Maritime Commission to be satisfactory for the purpose, to be used in the establishment and continuance of a fishing industry to be operated in or near the Philippine Islands. Such transfers may be made on such terms and conditions, including transfer for a nominal consideration, as the Maritime Commission may approve, but only if, in the opinion of the Fish and Wildlife Service, such small vessels so to be used for Philippine Island fishing are not needed by the fishing industry of the United States, its Territories, and possessions.

#### COAST AND GEODETIC SURVEYS

SEC. 310. The Coast and Geodetic Survey of the Department of Commerce is authorized to continue, until June 30, 1950, the survey work which was being conducted by it in the Philippine Islands prior to December 7, 1941. The Director of the Coast and Geodetic Survey is authorized to train not exceeding 20 Filipinos each year, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in order that they may become qualified to take over and continue such survey work on and after July 1, 1950, and to pay all expenses incident to their temporary employment and training.

#### GENERAL PROVISIONS

SEC. 311. (a) The Government of the Philippine Islands shall provide all lands, easements, and rights-of-way necessary for the execution of the projects herein authorized.

(b) The several bureaus and agencies of the Government authorized by this title to undertake projects in the Philippine Islands are hereby authorized, in the prosecution of such projects, to cooperate with the Government of the Philippine Commonwealth (or the Philippine Republic), and to accept contributions of labor, materials, and money from such Government and its political subdivisions and to utilize such labor, materials, and money in the prosecution of such projects.

(c) Wherever in this title the training of Filipinos at the expense of the United States Government is authorized, the head of the bureau or agency under whose supervision or control the training is given may establish minimum requirements as to education and experience, provide for competitive examinations, or establish such other standards for qualification for such training as in his judgment may seem necessary and advisable, and under such regulations as may be adopted from time to time may provide for the payment of all expenses incidental to such training, including, but not limited to, actual transportation expenses to and from and in the United States, allowances for tuition, educational fees, and subsistence.

(d) Notwithstanding the provisions of section 3 of the act of February 5, 1917 (39 Stat. 875), and section 8 of the act of March 24, 1934 (48 Stat. 456), any Filipino who is appointed for training or instruction as provided in this act may be admitted to the United States for such training or instruction upon certification to the Immigration and Naturalization Service by the head of the bureau or agency under whose supervision the training or instruction is to be given that such entry is necessary in connection with the training or instruction: *Provided*, That the privilege of entering or remaining in the United States for such purposes shall terminate within a reasonable time after discontinuance of the training or instruction or upon failure of the person appointed to abide by the conditions of his appointment: *And provided further*, That the head of the bureau or agency concerned may at any time terminate the appointment of any person ap-

pointed under this act if in his judgment the best interests of either the United States or the Philippine Government make such action advisable, and his decision shall be final and conclusive.

(e) Unless otherwise provided by law this title shall expire on June 30, 1950.

#### TITLE IV—THE UNITED STATES HIGH COMMISSIONER

SEC. 401. Until the Philippine Islands attain their independence, the functions, powers, and duties exercised in the Philippine Islands by any officer, employee, department, or agency of the United States in carrying out the provisions of this act shall be exercised under the general supervision of the United States High Commissioner to the Philippine Islands, and the officers, employees, offices, missions, and other agencies exercising such functions, powers, and duties shall be deemed to be attached to the office of the High Commissioner.

Mr. TYDINGS. Mr. President, having explained this bill on a previous occasion, unless there are some questions, I am reluctant to go over the ground the second time. The purpose of the bill, briefly, is to rehabilitate the Philippine Islands in the least costly way we can provide.

Mr. HAYDEN. Mr. President, there are some minor technical amendments I wish to bring to the attention of the chairman of the committee. On page 19, line 22, the following language appears:

As recommended in a report based upon an investigation now being made.

The investigation has been completed. I offer an amendment to strike out the words "now being", in line 23, on page 19.

Mr. TYDINGS. Mr. President, I have no objection.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Without objection, the amendment is agreed to.

Mr. HAYDEN. The same language appears on page 20, beginning in line 19, as follows:

As recommended in a report based upon an investigation now being made.

I offer an amendment to strike out the words "now being", in line 20, on page 20.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HAYDEN. On page 28, line 24, of the bill, the full title should be "The United States Maritime Commission." I offer an amendment to insert the words "United States" before the word "Maritime."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HAYDEN. Mr. President, I spoke to the chairman of the committee the other day with respect to paragraph (d) of section 311, appearing on page 31 of the bill. The question was raised by the Immigration and Naturalization Service that after the quota is filled, a Filipino would have a different status under the immigration law when the Philippines become independent than he previously had. That suggestion was contained in a letter from the Immigration and Naturalization Service which I placed in



the RECORD. I took the matter up with the drafting service, and Mr. Murphy of that service rewrote the paragraph, and, in order to make perfectly clear what will be done before and after independence with respect to Filipino students who come to the United States, I offer the amendment prepared by the drafting service.

Mr. TYDINGS. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 31, it is proposed to strike out lines 3 to 22, inclusive, and in lieu thereof to insert the following:

(d) Any Filipino who is designated for training or instruction as provided in this act may be admitted to the United States for such training or instruction upon certification to the Immigration and Naturalization Service by the head of the bureau or agency under whose supervision the training or instruction is to be given that such entry is necessary in connection with the training or instruction, notwithstanding the provisions of section 8 of the act of March 24, 1934 (48 Stat. 462; 48 U. S. C. 1238), and notwithstanding any provision of the laws of the United States relating to the immigration, exclusion, expulsion, or registration of aliens: *Provided*, That such admissions shall be deemed pursuant to section 3 (2) of the Immigration Act of 1924 (43 Stat. 154; 47 Stat. 607; 54 Stat. 711; 8 U. S. C. 203): *Provided further*, That the privilege of entering or remaining in the United States for such purposes shall end within a reasonable time, to be fixed by regulation of the Commissioner of Immigration and Naturalization with the approval of the Attorney General, after termination of the training or instruction: *Provided further*, That the head of the bureau or agency concerned may at any time terminate the training or instruction of any person under this act if in his judgment the best interests of either the United States or the Philippine Government makes such action advisable, and his decision shall be final and conclusive: *Provided further*, That any such Filipino who shall fail to depart from the United States within the reasonable time fixed by regulation, as herein prescribed, shall be subject to being taken into custody and deported, as provided by section 14 of the Immigration Act of 1924 (43 Stat. 162; 8 U. S. C. 214).

Mr. TYDINGS. Mr. President, I have no objection to the amendment.

Mr. WHITE. Mr. President, I should like to ask the Senator respecting the attitude of the committee toward the bill.

Mr. TYDINGS. Mr. President, has the amendment been disposed of?

The PRESIDING OFFICER. The amendment has not been disposed of.

Mr. TYDINGS. Mr. President, has the Senator from Maine any objection to the amendment?

Mr. WHITE. No.

Mr. TYDINGS. I ask that the amendment be disposed of first.

The PRESIDING OFFICER. Is there objection to the amendment offered by the Senator from Arizona? The Chair hears none, and, without objection, the amendment is agreed to.

Mr. TYDINGS. I now yield to the Senator from Maine.

Mr. WHITE. I want to be sure of my understanding as to the attitude of the committee toward the bill. I have had

the belief that it came to the Senate with the unanimous approval of the committee. Am I correct in that understanding?

Mr. TYDINGS. There was no adverse vote in the committee which passed on the bill.

Mr. WHITE. That is what I understood.

Mr. McCLELLAN. Mr. President, what is the total sum involved in this bill?

Mr. TYDINGS. The total sum involved in the bill cannot be given definitely in terms of money for the reason that a portion of the aid given to the Filipinos is in the form, first, of the sale of surplus property now in the Philippines, which those in charge of the property say cannot, in most cases, be economically transported back to the United States, and that to maintain it in the Philippines will entail a larger expense than perhaps its salvage value would justify. Therefore, if we eliminate items of that kind from the bill, which mean a great deal to the Philippines, the amount of remaining money would consist of approximately \$330,000,000. Of that \$330,000,000 there are \$200,000,000 in the War Damage Corporation. The Filipinos had no chance to obtain war insurance. However, by a letter of the Chairman of the War Damage Corporation it was provided that, even though they could not obtain insurance, they would be entitled to insurance up to \$100,000,000. So we have perhaps a legal as well as a moral obligation to the extent of \$100,000,000 of those funds which are now a profit to the Government, inasmuch as they were paid in and no money was paid out. So if we subtract that again from the amount of money provided by the bill that would reduce it to \$230,000,000.

However, the bill contains a provision that any money which may be received from Japan by way of reparations for damages shall be placed in our Treasury rather than in the Filipino treasury until the amounts provided for in this bill are completely liquidated.

So there is a reasonable possibility—I do not say it will happen—that when all the accounts are checked up, the cost of this program to the Treasury of the United States will be very much smaller than the figures which now appear in the bill.

Mr. McCLELLAN. In rehabilitating the Philippines to what extent are we going with respect to private property that is destroyed? Are we undertaking 100 per cent rehabilitation?

Mr. TYDINGS. No, we are not.

Mr. McCLELLAN. To what extent are we going?

Mr. TYDINGS. We have adopted the philosophy of the average fire insurance policy. Most of the fire insurance policies contain the 80 percent clause. We have provided a top of approximately 75 percent of the estimated damages sustained for the Philippine War Damage Commission to pay. In addition to that we have eliminated every claim which is not filed by a national of the United States or of the Philippine Islands, and, difficult as it may be for us to realize it, that eliminates immediately one-third of

all the claims. The Chinese, who represent a large percentage of the population in the Philippines, and who are quite largely interested in its industries and merchandising, are not included under the provision of this bill. So therefore we have eliminated, to begin with, one-third of all the private property claims, and are paying approximately 75 percent of the remaining private property claims. And we have eliminated automobiles, jewelry, furs, and articles of that sort, because they are nonproductive in the rehabilitation of the Philippines, and we have centered our efforts on those things which, when reconstructed, will contribute to the economy and rehabilitation of the islands, rather than to pay claims to persons who might then leave the country and live on the money.

We have, furthermore, provided that the money so appropriated shall be used to reconstruct the industries and the buildings which have been damaged, rather than to pay in cash, the whole philosophy being to start the wheels of industry turning again so that employment will follow in their wake.

Mr. McCLELLAN. I thank the Senator. I should like to inquire further. How far are we to go with regard to rehabilitating or reconstructing Government property? Are we to go all the way with respect to such property?

Mr. TYDINGS. No, we are not. The bill provides first of all that the Government may receive without paying for it up to \$30,000,000 worth of the surplus property we now have in the Philippines. After that point the Government would buy any surplus property it wanted to acquire.

Mr. McCLELLAN. I think the Senator misunderstood me. What I am inquiring about is with reference to Government buildings or property of any character, which belonged to the Government or municipalities.

Mr. TYDINGS. The Senator from Arizona is familiar with the situation, and I will ask him to answer that question.

Mr. HAYDEN. The report which we received was to the effect that the Philippine National Government, the provinces, and cities, had suffered damage to the extent of about \$195,000,000.

Mr. TYDINGS. To Government property.

Mr. HAYDEN. To Government property. The theory of the committee was, first, that we would reimburse them as we reimbursed private individuals, at the rate of 75 percent. So we said, "At the outside, your reimbursement will be \$150,000,000. Of that, \$30,000,000 will be in the form of surplus property, which you may obtain as a gift. That leaves \$120,000,000. We will not give you a cent of that in cash." We sent to the islands some men from the Corps of Army Engineers. They are looking over the reports to which I referred a while ago. The reports relate to ships sunk or damaged, the repair of ports, and so forth.

Mr. TYDINGS. And repair of bridges, roads, and other facilities.

Mr. HAYDEN. Yes. We are undertaking to do constructive work for the people of the Philippines which will help



them to help themselves. That is the situation.

Mr. TYDINGS. Let me interject to say that in the course of the war the commander in chief in the Philippines issued orders to the Filipinos to destroy bridges, machinery, and other property, and told them that the Federal Government would compensate them. Therefore the thought projected by the Senator from Arizona is that in the case of public buildings, bridges, and other public enterprises, instead of giving the Filipino Government the money we are working out a plan for the rehabilitation of certain structures which were destroyed, and providing the sum of money which he has specified to be spent by us, under our own rules and under our own discretion, to accomplish rehabilitation.

Mr. McCLELLAN. I wonder if on other islands we have similar obligations which we shall have to meet.

Mr. TYDINGS. I know the Senator will agree with me that when we consider the whole Filipino problem, in view of the action taken in behalf of UNRRA, it is very difficult to withhold this practical help for a people who fought and died by our side. They have been completely loyal, and have contributed a great deal to the hastening of VJ-day.

Mr. McCLELLAN. I am not complaining, but I understand that the assistance rendered through UNRRA goes also to those who were our allies, and whom we liberated.

Mr. TYDINGS. That is correct.

Mr. McCLELLAN. They stood by our side.

Mr. TYDINGS. The situation in the Philippines is somewhat different. The Filipino people were under our own flag.

Mr. McCLELLAN. I think we owe them something, but I wished to inquire how far we were going.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LANGER. Is this bill different from the \$100,000,000 bill which the Senator introduced when he came back from the Philippines?

Mr. TYDINGS. It is the same in philosophy, but not in extent. It differs in extent only because full evidence has been adduced as to the need.

Let me say to the Senator from North Dakota that before we began consideration of the bill we asked the War Damage Corporation to make a comprehensive survey in the Philippines. We had figures from the military authorities, and we had figures from the Filipinos, but we wanted a survey by an independent agency of experts. The over-all picture of the damage which occurred in the Philippines is, roughly, approximately three-quarters of a billion dollars. As I have explained, this bill will probably cost the American Government finally not more than \$200,000,000 or \$300,000,000, if it costs that much, and with good fortune it may be that it will not cost us \$100,000,000.

Mr. LANGER. Is the amount provided by the pending bill in addition to the \$100,000,000 provided by the bill which the Senator originally introduced?

Mr. TYDINGS. No. The pending bill supplants the former measure. We have

thrown certain restrictions around the expenditure, so that the amount of increase will probably come back into the Treasury.

Mr. LANGER. I should like to know why the Chinese are excluded.

Mr. TYDINGS. For this reason: If we included the Chinese we would have to include the British and the Dutch. We do not know whether those Governments, from the reparations which they will receive, will pay the claims of Americans who were in Java or Burma. The committee, therefore, excluded other nationals, with the understanding that in the future we would accord to any other nationals in the Philippines the same treatment accorded by foreign governments to our nationals, wherever they might be located.

Mr. LANGER. The majority of the Chinese claimants are not our nationals, are they?

Mr. TYDINGS. That is correct.

Mr. LANGER. What proportion of the total claims is represented by the claims of the Chinese?

Mr. TYDINGS. I should say that the claims of Chinese, British, and Dutch nationals together amount to nearly a third of all the damage claims which could be filed in the Philippines. They have all been excluded for the reasons which I have stated, after very careful consideration.

Mr. LANGER. What proportion of the claimants are Chinese?

Mr. TYDINGS. I should say a substantial proportion. I have not the figures at hand. They are in the report. My recollection is that more than half of them are Chinese.

Mr. LANGER. Would the Senator have any objection to including them in this bill?

Mr. TYDINGS. Yes. It would mean a tremendous change. Let me say to the Senator that we are not unsympathetic to that situation. Intelligent legislation will depend upon what reports we receive, how the claims are distributed, and many other factors. For example, suppose Japan should pay \$1,000,000,000 in reparations. Suppose we should forego our share of it, and let the Chinese, who certainly deserve well of us, have it; and suppose we should provide that Chinese nationals in the Philippines should be compensated on the same basis as that which applies to others provided for in the bill. It was because of all those imponderables that we did not venture into the field of foreign nationalism at this stage.

Mr. LANGER. As I understand, the committee is not going to discriminate against the poor Chinese.

Mr. TYDINGS. No. We are sympathetic; but this is not the time to consider that question. We could not consider it intelligently.

Mr. LANGER. I am in favor of this bill, but I wished to be sure that the Chinese were given the same protection as that accorded to other nationals.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. I think we might say that even China, while not in a very satisfactory financial condition, could perhaps

assist our nationals in China in replacing some of the buildings destroyed. The Chinese could at least provide local currency. So we simply left this question for a future deal, so to speak, with the governments of those countries where we have nationals who have lost their property during the war. We should like to see them receive the same kind of treatment, so far as it is within the capacity of those governments, that we give their nationals in the Philippine Islands.

Mr. TYDINGS. As the Senator from Ohio says, when we know what that is, we will do our part, in line with what I have already stated.

Mr. TAFT. Mr. President, I should like to make a brief statement in support of the bill.

The destruction of property in the Philippine Islands, as estimated by the War Damage Corporation, is about \$800,000,000. That loss is divided as follows: \$195,000,000 of public property; \$139,000,000 of church property; and \$464,000,000 of private property. That is an estimate, but it is an estimate made by intelligent men.

At the beginning of the war we adopted the policy of insuring all property in the United States. The President of the United States set aside \$100,000,000 for the purpose of insuring American property which might be destroyed by bombing or otherwise. In the early part of 1942 we enacted a law extending such insurance all over the United States. It followed the general policy of the British Government, which levied a tax on every piece of property, and from that tax paid the war damage. We could not levy a direct property tax, so we had to make the insurance system a voluntary system. But it was to a large extent a Government affair. We charged people in the Mississippi Valley just as large premiums as we charged on the coast, although the risk was probably only a fifth or a tenth of what the risk was on the Atlantic coast. We adopted that principle.

Under the President's first declaration the plan was extended to the Philippine Islands. We were unable to continue the voluntary system in the Philippine Islands simply because the people there were not able to take out the insurance. Besides, we did not know whether we would ever get the islands back, what their condition might be, or whether we could check the damage. So the plan was not extended to the Philippine Islands, although the original act authorized it to be so extended, and although, so far as I can see, the principle was absolutely applicable. It was applicable in Hawaii, and to a limited extent we have paid out of that fund war damages to persons in Hawaii. I believe that some damage in this country has been paid for.

So far as I am concerned, in the consideration of this question, the Philippines are a part of the United States. They fought on our side. They were a possession of the United States. To my mind, for this purpose they were just as much American citizens as the people of this country, and I thought we should treat them approximately as we would have treated people in California if Cali-



fornia had been similarly devastated. If there had been an invasion of California, I cannot doubt that, with the policy established by the War Damage Insurance Act, we would have paid all the war damage in California. In the case of the Philippines we know what the actual condition is. The Philippines are the only part of the United States which has suffered physical damage, and I believe we should be extremely generous in settling the Philippine claims.

We have provided, in effect, that the war-damage insurance funds shall be effective up to 75 percent, provided the money is used for the replacement of property actually destroyed. Under the insurance plan, the government would have been able to insure its property, just as a State would have been able to insure its property in this country. We have provided approximately \$150,000,000 worth of work or surplus property for the Philippine government. That also is approximately on a 75-percent basis. But we feel that they should participate. They are able to provide labor, perhaps, to help in the reconstruction. They are able to borrow money locally for that purpose if they do not have the money themselves—and they may have the money.

So in their case we have provided that the Federal Government itself will have work done and will expend money and will give surplus property up to \$150,000,000. That is to be done by the Federal Government, so far as the roads are concerned. The Public Roads Administration will rebuild the roads to the extent that the Commission thinks that should be done and is possible to do under this total over-all limitation. The Army engineers are directed to rebuild the wharf facilities. The Commission will also call on the Army engineers or the Public Roads Administration to rebuild the railroads, for instance, and to put them back into operating condition, or to rebuild the electric-light and public-service plants. That will be the course of the larger operations. If there is any money left, other damage may be paid for—for instance, in order to help the government replace some of its public buildings and public property.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WILEY. Will the Senator give us an estimate of the total amount of money which the American people will contribute for the rehabilitation of the Philippines?

Mr. TAFT. The total cost probably will be in the neighborhood of \$450,000,000, to cover a total, actual, out-of-pocket loss of \$300,000,000. If we obtain reparations from Japan, which otherwise probably would go to the Philippines, where the damage occurred, we shall reimburse ourselves from those reparations. Furthermore, from the insurance plan we have collected \$220,000,000 worth of war-damage-insurance premiums, and I think that money can properly be limited to the repairing of damage. In other words, the people in this country had their insurance. They were fortunate; there was no bombing

here; and we have premiums in the amount of \$220,000,000. That money has been put into the Treasury. In substance, it will cover approximately 75 percent of the private-property damage for which we shall make reimbursement. So we can hardly say that that money will come out of our general tax receipts. Thirty million dollars of the \$450,000,000 will come out of surplus property. Probably it would cost more to bring it back to this country and sell here than to turn it over to the Philippine government.

So I do not believe the actual out-of-pocket expense will exceed the expense of the Army and the Navy and the Army engineers and the Public Roads Administration in replacing the main facilities of the Philippine Islands.

I do not think our action is in any way overgenerous. I believe very strongly that in the Far East our whole prestige and the future opinion of the people of Far East of the United States will depend, as it has in the past so successfully, on our treatment of the Philippine Islands. If we can set up the Philippine Islands again so that they can move forward, so that they will not have to spend 5 or 10 years in scraping together the funds or whatever else it may be necessary for them to have in order to try to rebuild their cities and to replace their manufacturing facilities, I feel very strongly that throughout the Far East we shall receive from our contribution, because of our accomplishment in finishing the great job we have done in the Philippine Islands, a credit which will amount to far more than any money which we are called upon to spend under this bill.

Mr. President, I very strongly hope that the pending measure will be passed unanimously by the Senate, and I feel confident that we have worked out the fairest and most practical way of carrying through this great purpose.

Mr. WILEY. Mr. President, I am in favor of the bill, and I wish to state briefly my reasons for supporting it. There are intangible assets in this picture which amount to far more than the tangible assets. We know how the "underground" in the Philippines worked with the few American soldiers who escaped from Bataan and Corregidor into the mountains. We know how, by and large, the Philippine people cooperated with our military forces and made MacArthur's success possible. We may ask why that happened. The answer must be that in the Philippines the people generally felt that the Americans would carry through to the end, to see that the liberties of the Philippine people were regained. The Filipinos remembered the treatment which America had showered, we may say, on them in the years following our entrance into the Philippines. The Philippine people themselves are an example of how to bring about peace in this world. In other words, I mean that when we went into the Philippines, the Filipino people were a backward race. We did not take from the Philippines; we gave to the Philippines. We took education to them; we took to them the American concept of the inviolability of contracts.

We took to them, to a large extent, what has been known as the American way. The Philippine people, by and large, have appreciated what we gave to them.

Then the war came. The result was that we were paid back a hundredfold for all the generosity and all the fair dealing which we had bestowed on the Filipinos.

As has been suggested by the Senator from Ohio, the next century may belong to the Far East. China, with her 450,000,000 people, is in a state of ferment. China has been our friend. Why? The Chinese remember what we did in the days of the Boxer Rebellion. Mr. President, all of us recall that when indemnities were demanded from China, the United States was the one nation which said to China, "We do not want an indemnity. You take it and send to America the best young brains you have and let them receive an education in America, and then return to your land." That paid dividends a thousandfold.

Mr. President, now we are telling the people of the Philippines that America is going to spend \$450,000,000 to aid them in their work of rehabilitation. That is no small sum. Of course, a large proportion of it has already been accumulated in insurance premiums. But, Mr. President, we shall spend that \$450,000,000 to rehabilitate the Philippines, to rebuild universities, churches, highways, schools, and docks, and thus to bring into existence once again the economic life of a country which has been blotted out. We are trying to bring economic help to the Philippines. But that is not all, Mr. President; we are again doing for an Asiatic people what we did during the Boxer Rebellion days. We are endeavoring to manifest brotherhood in action. Words are cheap. Deeds are what count. We are sowing seed so that in future years it may well be said that America, looking ahead in 1945, did that thing which kept her safe in the emergency of this day and generation.

Mr. President, I am in favor of the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill (S. 1610) was ordered to be engrossed for a third reading, read the third time, and passed.

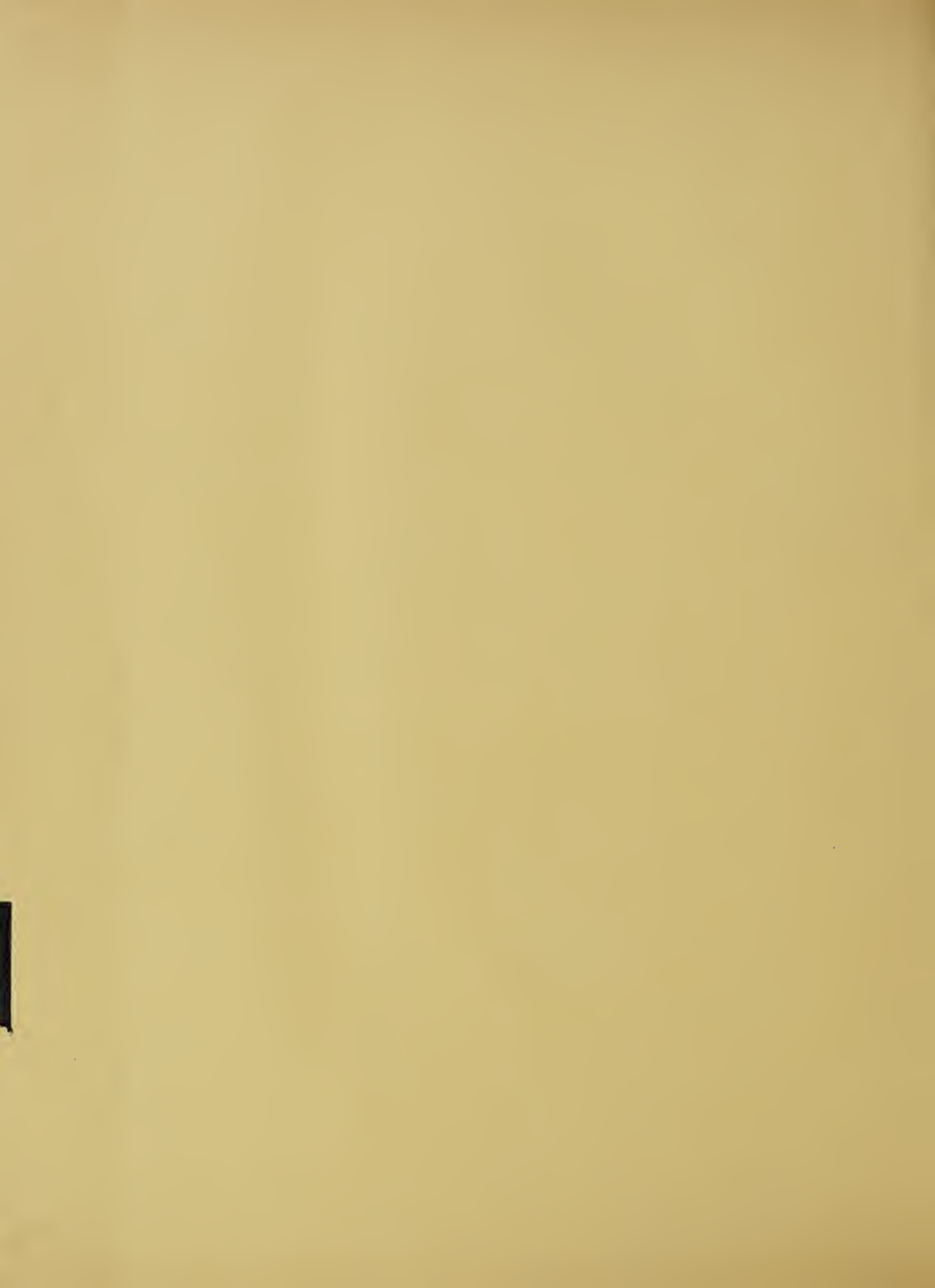
#### INCREASE IN COMPENSATION OF FEDERAL EMPLOYEES

Mr. DOWNEY. Mr. President, I ask unanimous consent that at the conclusion of the consideration of the second measure which I understand the distinguished senior Senator from Maryland desires to have considered, the Federal pay bill (S. 1415) be made the unfinished business, subject to the following conditions: That the bill will not be taken up actively before the Senate until noon tomorrow, and that in no event will there be a vote upon the bill itself until Monday next or some day thereafter.

Mr. TYDINGS. Mr. President, merely in order to clarify the Senator's unanimous-consent request, I may say that he referred to the second piece of legislation which I desire to have considered. Sen-

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79<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1610

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 10, 1945

Referred to the Committee on Insular Affairs

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## AN ACT

To provide for the rehabilitation of the Philippine Islands, and  
for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Philippine Rehabili-  
4       tation Act of 1945".

### 5       TITLE I—COMPENSATION FOR WAR DAMAGE

6       SEC. 101. (a) There is hereby established a Philippine  
7       War Damage Commission (in this title referred to as the  
8       "Commission"). The Commission shall consist of three  
9       members, to be appointed by the President of the United  
10      States. One of the members of the Commission shall be a  
11      Filipino. The members of the Commission shall receive com-

1   pensation at the rate of \$10,000 a year. The terms of office  
2   of the members of the Commission shall expire at the time  
3   fixed in subsection (d) for winding up the affairs of the Com-  
4   mission. A vacancy in the membership of the Commission  
5   shall not impair the authority of the remaining two members  
6   of the Commission to exercise all of its functions. Vacancies  
7   occurring in the membership of the Commission shall be filled  
8   in the same manner as in the case of the original selection.  
9   Members of the Commission shall receive their necessary  
10   traveling and other expenses incurred in connection with  
11   their duties as such members, or a per diem allowance in lieu  
12   thereof.

13       (b) The Commission may, without regard to the civil-  
14   service laws or the Classification Act of 1923, as amended,  
15   appoint and fix the compensation of such officers and em-  
16   ployees, and may make such expenditures, as may be neces-  
17   sary to carry out its functions. Officers and employees of  
18   any other department or agency of the Government may,  
19   with the consent of the head of such department or agency,  
20   be assigned to assist the Commission in carrying out its  
21   functions. The Commission may, with the consent of the  
22   head of any other department or agency of the Government,  
23   utilize the facilities and services of such department or agency  
24   in carrying out the functions of the Commission.

25       (c) The Commission may prescribe such rules and



1 regulations as are necessary for carrying out its functions,  
2 and may delegate functions to any member, officer, or em-  
3 ployee of the Commission or of any other department or  
4 agency of the United States or of the Commonwealth of the  
5 Philippines.

6 (d) The Commission shall, so far as practicable, give  
7 consideration to, but need not await, or be bound by, the  
8 recommendations of the Filipino Rehabilitation Commission  
9 (created by the Act approved June 29, 1944) with respect  
10 to Philippine war damage. The Commission shall wind up  
11 its affairs not later than two years after the expiration of  
12 the time for filing claims under this title.

13 SEC. 102. (a) The Commission is hereby authorized to  
14 make compensation to the extent hereinafter provided on  
15 account of physical loss of or damage to property in the  
16 Philippine Islands occurring after December 7, 1941  
17 (Philippine time), and before October 1, 1945, as a result of  
18 one or more of the following perils: (1) Enemy attack (in-  
19 cluding action taken by or at the request of the military,  
20 naval, or air forces of the United States in resisting enemy  
21 attack); (2) action taken by enemy representatives, civil  
22 or military, or by the representatives of any government  
23 cooperating with the enemy; (3) action by the armed forces  
24 of the United States or other forces cooperating with the  
25 armed forces of the United States in expelling the enemy

1 from the Philippine Islands; (4) looting, pillage, or other  
2 lawlessness or disorder accompanying the collapse of civil  
3 authority or incidental to control by enemy forces: *Provided*,  
4 That such compensation shall be payable only to qualified  
5 persons having, on December 7, 1941 (Philippine time),  
6 and continuously to and including the time of loss or damage,  
7 an insurable interest as owner, mortgagee, lien holder, or  
8 pledgee in such property so lost or damaged: *Provided fur-*  
9 *ther*, That any qualified person who acquired any deceased  
10 person's interest in any property either (1) as heir, devisee,  
11 legatee, or distributee, or (2) as executor or administrator  
12 of the estate of any such deceased person for the benefit of  
13 one or more heirs, devisees, legatees, or distributees, all of  
14 whom are qualified persons, shall be deemed to have had  
15 the same interest in such property during such deceased  
16 person's lifetime that such deceased person had: *Provided*  
17 *further*, That no payment or payments shall be made in an  
18 aggregate amount which exceeds whichever of the following  
19 amounts, as determined by the Commission, is less: (a) The  
20 actual cash value, at the time of loss, of property lost or  
21 destroyed and the amount of the actual damage to other  
22 property of the claimant which was damaged as a direct  
23 result of the causes enumerated in this section; (b) the cost  
24 of repairing or rebuilding such lost or damaged property,  
25 or replacing the same with other property of like or similar

1 quality: *Provided further*, That in case the aggregate  
2 amount of the claims which would be payable to any one  
3 claimant under the foregoing provisions exceeds \$500, the  
4 aggregate amount of the claims payable to such claimant  
5 shall be reduced by 25 per centum of the excess over \$500.

6 (b) When used in this section, the term “qualified  
7 person” means—

8 (1) any individual, who on December 7, 1941  
9 (Philippine time), and continuously to the time of filing  
10 claim pursuant to this title, was a citizen of the United  
11 States or of the Philippine Commonwealth or of the  
12 Philippine Republic;

13 (2) any individual, who at any time subsequent  
14 to September 16, 1940, and prior to August 14, 1945,  
15 served honorably in the armed forces of the United  
16 States or of the Philippine Commonwealth, or honorably  
17 performed “service in the merchant marine” (as defined  
18 in the first section of the Act entitled “An Act to  
19 provide reemployment rights for persons who leave their  
20 positions to serve in the merchant marine, and for other  
21 purposes”, approved June 23, 1943) ;

22 (3) any church or other religious organization;  
23 and

24 (4) any corporation (or, upon dissolution, its  
25 successor if it satisfies the requirements of this paragraph



1       (4) ) organized pursuant to the laws of any of the  
2       several States or of the United States or of any Terri-  
3       tory or possession thereof (including any corporation  
4       or sociedad anonima organized pursuant to the laws in  
5       effect in the Philippine Islands at the time of its  
6       organization), but excluding any corporation wholly  
7       owned by the Commonwealth of the Philippines (or  
8       the Philippine Republic).

9       SEC. 103. The Commission shall make no payment  
10      under the provisions of this title—

11               (a) to any enemy alien;

12               (b) to any person who, by a civil or military court  
13      having jurisdiction, has been found guilty of collaborat-  
14      ing with the enemy, or of any act involving disloyalty  
15      to the United States or the Philippine Commonwealth;

16               (c) to any corporation or sociedad anonima owned  
17      or controlled by any of the persons specified in clauses  
18      (a) and (b) of this section;

19               (d) to compensate for any loss of or damage to  
20      property which, at the time of loss or damage, was in-  
21      sured against any one or more of the perils specified in  
22      section 102 hereof, except to the extent that the loss or  
23      damage exceeds the amount of such insurance, whether  
24      or not collectible;

1 (e) to compensate for any loss or damage—

2 (1) for which the War Department or the  
3 Navy Department is authorized to make payment,  
4 or

5 (2) for which compensation or indemnity is  
6 otherwise payable, or has been paid, or is authorized  
7 to be paid, by the Philippine Government or by the  
8 United States Government or by their respective  
9 departments, establishments, or agencies,

10 unless the Government, department, establishment, or  
11 agency concerned has declined to pay compensation or  
12 indemnity for such loss or damage;

13 (f) unless the claimant shall file with the Commis-  
14 sion, within nine months after the enactment hereof, a  
15 claim in reasonable conformity with the requirements of  
16 this title and such reasonable regulations as shall be  
17 established by the Commission.

18 SEC. 104. (a) No claim shall be paid unless approved  
19 by the Commission or its authorized representatives, and on  
20 account of each claim so approved the Commission may make  
21 immediate payment of (1) so much of the approved amount  
22 of the claim as does not exceed five hundred dollars or one  
23 thousand Philippine pesos, plus (2) 80 per centum of the  
24 remainder of the approved amount of the claim. After the

1 time for filing claims has expired, the Commission shall  
2 determine the amount of money available for the further  
3 payment of claims. Such funds shall be applied pro rata  
4 toward the payment of the unpaid balances of the amounts  
5 authorized to be paid pursuant to section 102 of this title.

6 (b) Of the funds appropriated for the purpose of pay-  
7 ing compensation under this title, \$5,000,000 shall be set  
8 aside for the payment of claims filed by churches and other  
9 religious organizations on account of loss of or damage to  
10 property consisting of churches, parish houses, and other  
11 property devoted to religious purposes (excluding schools,  
12 hospitals, and other charitable institutions). Subsection (a)  
13 of this section shall not be applicable with respect to claims  
14 filed by churches and other religious organizations with re-  
15 spect to such property; but, after the time for filing claims  
16 has expired, the funds set aside pursuant to this subsection  
17 shall be applied pro rata toward paying such amounts as  
18 are authorized to be paid pursuant to section 102 with respect  
19 to claims filed by churches and other religious organizations  
20 with respect to such property, and shall be applied without  
21 discrimination to the proportional payment of all allowable  
22 claims filed by churches and other religious organizations  
23 with respect to such property. No payments with respect  
24 to such claims shall be made except from the funds set  
25 aside pursuant to this subsection.



1       (c) The Commission may, at its option, make pay-  
2 ment, in whole or in part, of the amount payable in the  
3 case of any claim authorized to be paid under this title by  
4 rebuilding or repairing lost or damaged property, or re-  
5 placing it with other property of like or similar kind. The  
6 amount expended for such purpose in any case, including  
7 the fair value of property transferred to the claimant, shall  
8 be deemed to have been paid to the claimant on account  
9 of his claim, and such amount shall in no case exceed the  
10 amount authorized to be paid under this title on account  
11 of such claim. The Commission is authorized to acquire  
12 such property, to have such work done, to make such  
13 contracts, and to take such other action as may be necessary  
14 for the purposes of this subsection.

15       (d) All of the provisions of this title shall be subject  
16 to the requirement that, to the fullest extent practicable,  
17 the Commission shall require that the lost or damaged  
18 property be rebuilt, replaced, or repaired before payments  
19 of money are actually made to claimants under this title.

20       SEC. 105. Not later than six months after its organiza-  
21 tion, and every six months thereafter, the Commission shall  
22 make a report to the Congress concerning operations under  
23 this title.

24       SEC. 106. (a) There is hereby authorized to be ap-

1 appropriated, out of any money in the Treasury not otherwise  
2 appropriated, the amount of \$330,000,000 for the purposes  
3 of paying compensation to the extent authorized by this title,  
4 and of such sum, not to exceed \$1,500,000 shall be available  
5 to pay the expenses of the Commission.

6 (b) Any sums received by the United States from the  
7 Japanese Government or the Japanese people by way of  
8 reparations or indemnity on account of the war—

9 (1) shall be covered into the Treasury of the  
10 United States until the sums so covered into the Treasury  
11 are equal to the sum of the amounts appropriated for  
12 the payment of compensation under this title and the  
13 amounts appropriated for carrying out the purposes of  
14 title III of this Act;

15 (2) when the amounts covered into the Treasury  
16 under clause (1) are equal to the amounts so appro-  
17 priated, one-half of any further sums so received by the  
18 United States from the Japanese shall be covered into  
19 the Treasury of the United States and the other one-half  
20 shall be paid to the Government of the Commonwealth  
21 of the Philippines (or the Philippine Republic) until  
22 the amount so paid to such government plus the amounts  
23 appropriated for the payment of compensation under  
24 this title and the amount appropriated for carrying out  
25 the purposes of title III are equal to the amount esti-

1 mated by the Commission to represent the total loss of  
2 and damage to real and tangible personal property in the  
3 Philippine Islands from the causes enumerated in section  
4 102 (a) ; and

5 (3) thereafter shall be covered into the Treasury  
6 of the United States.

7 SEC. 107. Whoever, in the Philippine Islands or else-  
8 where, makes any statement or representation knowing it  
9 to be false, or whoever willfully overvalues loss of or damage  
10 to property for the purpose of obtaining for himself or for  
11 any claimant any compensation pursuant to this title, or for  
12 the purpose of influencing in any way the action of the  
13 Commission with respect to any claim for compensation pur-  
14 suant to this title, or for the purpose of obtaining money,  
15 property, or anything of value under this title, shall, upon  
16 conviction, be punished by a fine of not more than \$5,000 or  
17 by imprisonment for not more than two years, or both.

18 SEC. 108. No remuneration on account of services ren-  
19 dered or to be rendered to or on behalf of any claimant in  
20 connection with any claim for compensation pursuant to this  
21 title shall exceed 5 per centum of the compensation paid by  
22 the Commission on account of such claim. Any agreement  
23 to the contrary shall be unlawful and void. Whoever, in  
24 the Philippine Islands or elsewhere, receives on account of  
25 services rendered or to be rendered in connection with any



1 claims for compensation hereunder, any remuneration in  
2 excess of the maximum permitted by this section shall be  
3 deemed guilty of a misdemeanor and, upon conviction  
4 thereof, shall be fined not more than \$1,000 or imprisoned  
5 for not more than six months, or both.

6       SEC. 109. Except as lawfully provided in policies of in-  
7 surance heretofore or hereafter issued by the War Damage  
8 Corporation pursuant to subsection (a) of section 5g of the  
9 Reconstruction Finance Corporation Act, as amended, the  
10 authority herein granted to the Philippine War Damage  
11 Commission shall be in lieu of and shall supersede all author-  
12 ity previously conferred on the War Damage Corporation  
13 to furnish protection or pay compensation with respect to  
14 property situated, at the time of loss or damage, in the  
15 Philippine Islands, and the protection authorized to be ex-  
16 tended and the compensation authorized to be paid by the  
17 Philippine War Damage Commission shall be in lieu of all  
18 protection heretofore extended or authorized to be extended  
19 by the War Damage Corporation with respect to property  
20 situated, at the time of loss or damage, in the Philippine  
21 Islands, except to the extent provided in policies of insurance  
22 heretofore or hereafter issued by the War Damage Corpo-  
23 ration. The War Damage Corporation is hereby prohibited

1 from providing for or paying compensation for war damage  
2 in the Philippine Islands except to the extent provided in its  
3 policies of insurance heretofore or hereafter issued in con-  
4 sideration of a premium paid therefor.

5 SEC. 110. The classes of property enumerated in this  
6 section, whether situated in the Philippine Islands or else-  
7 where, are hereby excluded from protection, compensation,  
8 or consideration under this title, and the Commission shall  
9 not make any payment, directly or indirectly, on account of  
10 loss of or damage to such classes of property:

11 (1) Accounts, bills, records, films, plans, drawings,  
12 formulas, currency, deeds, evidences of debt, securities,  
13 money, bullion, furs, jewelry, stamps, precious and semi-  
14 precious stones, works of art, antiques, stamp and coin col-  
15 lections, manuscripts, books and printed publications more  
16 than fifty years old, models, curiosities, objects of historical  
17 or scientific interest, and pleasure aircraft;

18 (2) Vessels and watercraft, their cargoes and equip-  
19 ment, except (a) vessels used or intended to be used exclu-  
20 sively for storage, housing, manufacturing, or generating  
21 power, (b) vessels while under construction until delivery  
22 by the builder, or sailing on delivery or trial trip, whichever  
23 shall first occur, and (c) vessels propelled by sail;

1       (3) Real property (other than standing timber, grow-  
2 ing crops, and orchards) not a part of a building or structure;

3       (4) Intangible property;

4       (5) Passenger-carrying motor vehicles except those  
5 used principally for commercial purposes;

6       (6) Property diverted to the Philippine Islands, by  
7 authority of the United States Government or otherwise, as  
8 a result of war conditions; and

9       (7) Property in transit (a) which at the time of loss  
10 or damage was insured against war perils, or (b) with  
11 respect to which insurance against such perils was available,  
12 at the time of loss or damage either at reasonable commer-  
13 cial rates or from the United States Maritime Commission.

14       SEC. 111. All departments, commissions, offices, agen-  
15 cies, and instrumentalities of the United States Government,  
16 upon the written request of the Commission, are authorized  
17 to make delivery and conveyance to designated claimants,  
18 or to the Commission, of any surplus property of the United  
19 States in the Philippine Islands deemed by the Commission  
20 to be similar to that for which compensation is requested,  
21 or to be suitable for the rebuilding or repair of the property  
22 damaged or destroyed. The transfer of such property to  
23 such claimants shall be at the fair value of the property as  
24 fixed by the disposal agency. The Commission shall pay  
25 such fair value to the disposal agency.



1        SEC. 112. The War Damage Corporation is authorized  
2 and directed to consult with, and in every manner possible to  
3 assist and cooperate with, the Commission, to aid the Com-  
4 mission in its performance of duties hereunder, and to make  
5 available to or deliver to the Commission all records, claims,  
6 files, and other documents in its possession pertaining to  
7 Philippine claims. The Commission is authorized to give  
8 such weight as it may deem proper to any reports, certifi-  
9 cates, or recommendations of the War Damage Corpora-  
10 tion, or its adjusters or claims service offices.

11        SEC. 113. The Commission shall notify all claimants of  
12 the approval or denial of their claims, and, if approved, shall  
13 notify such claimants of the amount for which such claims  
14 are approved. Any claimant whose claim is denied, or is  
15 approved for less than the full allowable amount of said  
16 claim, shall be entitled, under such regulations as the Com-  
17 mission may prescribe, to a hearing before the Commission  
18 or its representatives with respect to such claim. Upon  
19 such hearing, the Commission may affirm, modify, or re-  
20 verse its former action with respect to such claim, including  
21 a denial or reduction in the amount of a claim theretofore  
22 approved. All findings of the Commission concerning the  
23 amount of loss or damage sustained, the cause of such loss  
24 or damage, the persons to whom compensation pursuant  
25 to this title is payable, and the value of the property lost

1 or damaged, shall be conclusive and shall not be reviewable  
2 by any court.

3 TITLE II—DISPOSAL OF SURPLUS PROPERTY

4 SEC. 201. In order to expedite the disposition of sur-  
5 plus property of the United States in the Philippine Islands  
6 and to aid in—

7 (1) repairing and replacing buildings, equipment,  
8 and other property of the Commonwealth of the Philip-  
9 pines and other governmental units in the Philippines, in  
10 cases where such buildings, equipment, or other property  
11 have been damaged, lost, or destroyed in the war, and  
12 otherwise restoring and facilitating the normal operations  
13 of governmental units in the Philippines;

14 (2) restoring and providing essential public build-  
15 ings, services, works, and utilities, including hospitals,  
16 schools, and other institutions furnishing essential health  
17 and welfare services, in the Philippines; and

18 (3) rehabilitating the economy of the Philippines  
19 and aiding and encouraging private enterprise in such  
20 economy;

21 the Department of State, the disposal agency for the Philip-  
22 pines designated under the Surplus Property Act of 1944, act-  
23 ing through the Foreign Liquidation Commissioner (herein-  
24 after referred to as the “Commissioner”), is hereby author-  
25 ized, notwithstanding any other provision of law, to transfer to

1 the Commonwealth of the Philippines, without reimburse-  
2 ment, property of the United States now or hereafter located  
3 in the Philippine Islands and declared surplus under the  
4 Surplus Property Act of 1944, upon such terms and condi-  
5 tions, including the use or disposition of such property by  
6 the Commonwealth of the Philippines, as the Commissioner  
7 may deem appropriate to carry out the purposes of this title.

8 SEC. 202. At the time any such property is so trans-  
9 ferred to the Commonwealth of the Philippines, the Com-  
10 missioner shall make a record of (1) the items transferred,  
11 (2) the condition of such items, and (3) his estimate of  
12 the fair value of such items. The Department of State shall  
13 furnish a copy of such record to the Surplus Property Ad-  
14 ministrator, and shall also make quarterly reports to the  
15 President and the Congress concerning the administration  
16 of this title.

17 SEC. 203. Any surplus property now or hereafter lo-  
18 cated in the Philippines which is not transferred to the  
19 Commonwealth of the Philippines under section 201, may  
20 be disposed of by the Commissioner by sale, upon such  
21 terms and conditions as the Commissioner determines to  
22 be best suited for achieving the purposes stated in section  
23 201, and without regard to other provisions of law relating  
24 to the sale or disposition of property of the United States.



1 and to the extent that the findings in such report are  
2 approved by the President, the Public Roads Administra-  
3 tion is authorized to plan, design, restore, and build, in  
4 accordance with its usual contract procedures, such roads,  
5 essential streets, and bridges as may be necessary from the  
6 standpoint of the national defense and economic rehabilita-  
7 tion and development of the Philippine Islands.

8 (b) The Commissioner of Public Roads is authorized,  
9 under such regulations as he may adopt, to provide train-  
10 ing for not to exceed ten Filipino engineers, to be desig-  
11 nated by the President of the Philippine Islands from the  
12 regularly employed staff of the Philippine Public Works  
13 Department subject to the provisions of section 311 (c),  
14 in the construction, maintenance, and highway traffic engi-  
15 neering and control necessary for the continued maintenance  
16 and for the efficient and safe operation of highway transport  
17 facilities.

18 PORT AND HARBOR FACILITIES

19 SEC. 303. (a) As recommended in a report based upon  
20 an investigation made in the Philippine Islands by the  
21 Corps of Engineers of the United States Army and to the  
22 extent that the findings in such report are approved by  
23 the President, the Corps of Engineers is authorized to carry  
24 out a program for the rehabilitation, improvement, and  
25 construction of port and harbor facilities in the Philippine

1 Islands, such work to be done by contract, insofar as prac-  
2 ticable, under the direction of the Secretary of War and  
3 the supervision of the Chief of Engineers, and in accordance  
4 with established procedures applicable to river and harbor  
5 projects.

6 (b) The Chief of Engineers of the Army is authorized,  
7 under such regulations as he may adopt, to provide training  
8 for not to exceed ten Filipino engineers, to be designated  
9 by the President of the Philippine Islands from among the  
10 engineer officers of the Philippine Army and the regularly  
11 employed staff of the Philippine Public Works Department  
12 subject to the provisions of section 311 (c), in the construc-  
13 tion, improvement, and maintenance of port facilities and  
14 other works of improvements on rivers and harbors.

#### 15 PUBLIC PROPERTY

16 SEC. 304. The Philippine War Damage Commission,  
17 within the limits of the appropriations allocated to it for  
18 carrying out the provisions of this section, is authorized to  
19 compensate the Commonwealth of the Philippines (or the  
20 Philippine Republic), the provincial governments, chartered  
21 cities, municipalities, and corporations wholly owned by the  
22 Commonwealth of the Philippines (or the Philippine Repub-  
23 lic), in the Philippine Islands, for physical loss of or damage  
24 to public property in the Philippine Islands occurring after  
25 December 7, 1941 (Philippine time), and before October 1,

1 1945, as a result of the perils listed in section 102 (a) hereof,  
2 in any case in which compensation for such losses or the re-  
3 building, repair, or replacement of the lost or damaged  
4 property is not provided for by the transfer of surplus  
5 property under section 201 hereof, or provided for under the  
6 provisions of this title other than this section or otherwise  
7 provided for by the United States Government or any de-  
8 partment or agency thereof. To the fullest extent practi-  
9 cable, the Commission shall require that any lost or damaged  
10 property for which it decides to award compensation under  
11 this section shall be rebuilt, replaced, or repaired before pay-  
12 ments of money are actually made to claimants under this  
13 section. The Commission in its discretion may request the  
14 Federal Works Agency or the Corps of Engineers of the  
15 United States Army to undertake the rebuilding, repair, or  
16 replacement of property for which the Commission awards  
17 compensation under this section, and, from the funds avail-  
18 able for carrying out the provisions of this section, may trans-  
19 fer to such Agency or Corps of Engineers the funds necessary  
20 to pay for the work requested. The Federal Works Agency  
21 and the Corps of Engineers are authorized to rebuild, repair,  
22 or replace property in accordance with any such request of  
23 the Commission and to expend the funds so transferred to  
24 them for such purpose. The Commission shall have full  
25 power to select, and fix the priority of, cases in which com-



1   pensation will be awarded or property rebuilt, repaired, or  
2   replaced under this section, and to determine the amount of  
3   such compensation and the extent to which such property will  
4   be rebuilt, repaired, or replaced, taking into account the  
5   relative importance of various projects to the reconstruction  
6   and reconversion of the economy of the Philippine Islands and  
7   such other factors as the Commission deems relevant.

8                                   PUBLIC HEALTH

9       SEC. 305. (a) The Public Health Service of the Federal  
10   Security Agency is authorized to cooperate with the Govern-  
11   ment of the Philippine Islands, and with other appropriate  
12   agencies or organizations, in the rehabilitation and develop-  
13   ment of public health services and facilities throughout the  
14   Philippine Islands.

15       (b) To accomplish such purposes the Public Health  
16   Service shall at the earliest practicable time survey the  
17   health situation in the Philippine Islands, and is authorized  
18   to replace, expand, or install such health services and fa-  
19   cilities in the Philippine Islands as are deemed essential to  
20   preservation of health, and may assist in the rehabilitation  
21   and development of a Philippine quarantine service for pre-  
22   vention of introduction of disease from abroad or from one  
23   island to another. The Public Health Service may set up  
24   demonstrations and establish training centers in the Philip-  
25   pine Islands; may establish and maintain in the Philippine

1 Islands a school or schools for the purpose of providing  
2 practical instruction in public health; and may, at any time  
3 prior to January 1, 1948, provide one year of training in  
4 appropriate schools or colleges in the United States to not  
5 more than one hundred Filipinos, to be designated by the  
6 President of the Philippine Islands subject to the pro-  
7 visions of section 311 (c), in public health methods and  
8 administration. It may replace equipment and supply  
9 reasonably necessary additional equipment, utilizing for this  
10 purpose, so far as possible, surplus property, and may  
11 recommend to the Commission the repair or construction  
12 under the provisions of section 304, at any time prior to  
13 July 1, 1950, of buildings deemed essential to the rehabili-  
14 tation of public health and quarantine functions.

15 INTER-ISLAND COMMERCE

16 SEC. 306. (a) In order to restore and improve inter-  
17 island commerce in the Philippine Islands, the United  
18 States Maritime Commission is authorized to charter under  
19 such terms and conditions (including nominal rates of charter  
20 hire) vessels of less than two thousand gross tons to in-  
21 dividuals, corporations, or cooperatives or other forms of busi-  
22 ness organizations in the Philippine Islands if the Commis-  
23 sion determines that they possess the ability, experience,  
24 financial resources, and other qualifications, necessary to  
25 enable them to operate and maintain the vessel in the

1 inter-island commerce in the Philippine Islands: *Provided*,  
2 That any charter entered into under the authority of this  
3 section shall contain a provision requiring that the vessel  
4 shall be operated only in the inter-island commerce in the  
5 Philippine Islands.

6 (b) The Chairman, United States Maritime Commis-  
7 sion, is hereby authorized to permit not exceeding fifty  
8 Filipinos each year, to be designated by the President of  
9 the Philippine Islands subject to the provisions of section 311  
10 (c), to receive instruction in the United States Merchant  
11 Marine Cadet Corps and at the United States Merchant  
12 Marine Academy at Kings Point, New York. The per-  
13 sons receiving instruction under authority of this section shall  
14 receive the same pay, allowances, and emoluments, to be  
15 paid from the same appropriations, and, subject to such  
16 exceptions as may be determined by the Chairman, United  
17 States Maritime Commission, shall be subject to the same  
18 rules and regulations governing admission, attendance,  
19 discipline, resignation, discharge, dismissal, and graduation,  
20 as cadet midshipmen at the Merchant Marine Academy  
21 appointed from the United States; but such persons shall  
22 not be entitled to appointment to any office or position in the  
23 United States merchant marine by reason of their graduation  
24 from the Merchant Marine Academy.



## INTER-ISLAND AIR NAVIGATION

SEC. 307. (a) The Administrator of Civil Aeronautics of the Department of Commerce is authorized to acquire, establish, operate, and to maintain a system of air-navigation facilities and associated airways communications services in the Philippine Islands for inter-island airways operation and to connect the Philippine airways with international and interoceanic routes.

(b) The Administrator of Civil Aeronautics is authorized, under such regulations as he may adopt, to train not exceeding fifty Filipinos each year, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in air-traffic control, aircraft communications, maintenance of air-navigation facilities, and such other airman functions as are deemed necessary for the maintenance and operation of aids to air navigation and other services essential to the orderly and safe operation of air traffic.

## WEATHER INFORMATION

SEC. 308. (a) The Chief of the Weather Bureau of the Department of Commerce is authorized to establish meteorological facilities in the Philippine Islands as may be required to provide weather information, warnings, and forecasts for general agricultural and commercial activities, including

1 meteorological service for the air routes on which air-naviga-  
2 tion facilities are operated by the Civil Aeronautics Admin-  
3 istration, and to maintain such meteorological offices until  
4 the Philippine Weather Bureau is reestablished and in posi-  
5 tion to assume responsibility for the service.

6 (b) The Chief of the Weather Bureau of the Depart-  
7 ment of Commerce is authorized, under such regulations as  
8 he may adopt, to train not to exceed fifty Filipinos in the  
9 first year and not to exceed twenty-five Filipinos in each  
10 succeeding year, the trainees to be designated by the Presi-  
11 dent of the Philippine Islands subject to the provisions of  
12 section 311 (c), and the training to include meteorological  
13 observations, analyses, forecasting, briefing of pilots, and  
14 such other meteorological duties as are deemed necessary in  
15 maintenance of general weather service, including weather  
16 information required for air navigation and the safe oper-  
17 ation of air traffic. The training of these employees shall  
18 be in addition and not in lieu of Weather Bureau employees  
19 to be trained under current Weather Bureau appropriations.

#### 20 PHILIPPINE FISHERIES

21 SEC. 309. (a) The Fish and Wildlife Service of the  
22 Department of the Interior is authorized to cooperate with  
23 the Government of the Philippine Islands, and with other  
24 appropriate agencies or organizations, in the rehabilitation

1 and development of the fishing industry, and in the investi-  
2 gation and conservation of the fishery resources of the  
3 Philippine Islands and adjacent waters.

4 (b) To accomplish such purposes the Fish and Wild-  
5 life Service shall conduct oceanographic, biological, fish cul-  
6 tural, technological, engineering, statistical, economic, and  
7 market development studies and demonstrations and fishery  
8 explorations, and in conjunction therewith may establish  
9 and maintain a vocational school or schools of fisheries in  
10 the Philippine Islands for the purpose of providing practical  
11 instruction and training in the fisheries; and may, at any  
12 time prior to July 1, 1950, provide one year of training  
13 to not more than one hundred and twenty-five Filipinos,  
14 to be designated by the President of the Philippine Islands  
15 subject to the provisions of section 311 (c), in methods  
16 of deep-sea fishing and in other techniques necessary to  
17 the development of fisheries.

18 (c) The Fish and Wildlife Service is authorized to  
19 acquire, construct, maintain, equip, and operate such re-  
20 search and experimental stations, schools, research and ex-  
21 ploratory fishing vessels, or any other facilities in the  
22 Philippine Islands that may be necessary to carry out the  
23 purposes of this section.



1       (d) The United States Maritime Commission is author-  
2 ized, upon recommendation of the Fish and Wildlife Service  
3 of the Department of the Interior, to make arrangements for  
4 the transfer by sale or charter of small vessels, considered by  
5 the United States Maritime Commission to be satisfactory  
6 for the purpose, to be used in the establishment and con-  
7 tinuance of a fishing industry to be operated in or near the  
8 Philippine Islands. Such transfers may be made on such  
9 terms and conditions, including transfer for a nominal con-  
10 sideration, as the United States Maritime Commission may  
11 approve, but only if, in the opinion of the Fish and Wild-  
12 life Service, such small vessels so to be used for Philippine  
13 Island fishing are not needed by the fishing industry of the  
14 United States, its Territories, and possessions.

15                   COAST AND GEODETIC SURVEYS

16       SEC. 310. The Coast and Geodetic Survey of the De-  
17 partment of Commerce is authorized to continue, until June  
18 30, 1950, the survey work which was being conducted by  
19 it in the Philippine Islands prior to December 7, 1941. The  
20 Director of the Coast and Geodetic Survey is authorized to  
21 train not exceeding twenty Filipinos each year, to be desig-  
22 nated by the President of the Philippine Islands subject to  
23 the provisions of section 311 (c), in order that they may

1 become qualified to take over and continue such survey  
2 work on and after July 1, 1950, and to pay all expenses  
3 incident to their temporary employment and training.

4 GENERAL PROVISIONS

5 SEC. 311. (a) The Government of the Philippine  
6 Islands shall provide all lands, easements, and rights-of-way  
7 necessary for the execution of the projects herein authorized.

8 (b) The several bureaus and agencies of the Govern-  
9 ment authorized by this title to undertake projects in the  
10 Philippine Islands are hereby authorized, in the prosecution  
11 of such projects, to cooperate with the Government of the  
12 Philippine Commonwealth (or the Philippine Republic),  
13 and to accept contributions of labor, materials, and money  
14 from such government and its political subdivisions and to  
15 utilize such labor, materials, and money in the prosecution  
16 of such projects.

17 (c) Wherever in this title the training of Filipinos at  
18 the expense of the United States Government is authorized,  
19 the head of the bureau or agency under whose supervision  
20 or control the training is given may establish minimum re-  
21 quirements as to education and experience, provide for com-  
22 petitive examinations, or establish such other standards for  
23 qualification for such training as in his judgment may seem  
24 necessary and advisable, and under such regulations as may

1 be adopted from time to time may provide for the payment  
2 of all expenses incidental to such training, including, but  
3 not limited to, actual transportation expenses to and from  
4 and in the United States, allowances for tuition, educational  
5 fees, and subsistence.

6 (d) Any Filipino who is designated for training or  
7 instruction as provided in this Act may be admitted to the  
8 United States for such training or instruction upon certifica-  
9 tion to the Immigration and Naturalization Service by the  
10 head of the bureau or agency under whose supervision the  
11 training or instruction is to be given that such entry is  
12 necessary in connection with the training or instruction,  
13 notwithstanding the provisions of section 8 of the Act of  
14 March 24, 1934 (48 Stat. 462; 48 U. S. C. 1238), and  
15 notwithstanding any provision of the laws of the United  
16 States relating to the immigration, exclusion, expulsion, or  
17 registration of aliens: *Provided*, That such admissions shall  
18 be deemed pursuant to section 3 (2) of the Immigration  
19 Act of 1924 (43 Stat. 154; 47 Stat. 607; 54 Stat. 711;  
20 8 U. S. C. 203): *Provided further*, That the privilege of  
21 entering or remaining in the United States for such purposes  
22 shall end within a reasonable time, to be fixed by regulation  
23 of the Commissioner of Immigration and Naturalization  
24 with the approval of the Attorney General, after termination



1 of the training or instruction: *Provided further*, That the  
2 head of the bureau or agency concerned may at any time  
3 terminate the training or instruction of any person under  
4 this Act if in his judgment the best interests of either the  
5 United States or the Philippine Government makes such  
6 action advisable, and his decision shall be final and con-  
7 clusive: *Provided further*, That any such Filipino who shall  
8 fail to depart from the United States within the reasonable  
9 time fixed by regulation, as herein prescribed, shall be  
10 subject to being taken into custody and deported, as pro-  
11 vided by section 14 of the Immigration Act of 1924 (43  
12 Stat. 162; 8 U. S. C. 214).

13 (e) Unless otherwise provided by law this title shall  
14 expire on June 30, 1950.

15 TITLE IV—THE UNITED STATES HIGH  
16 COMMISSIONER

17 SEC. 401. Until the Philippine Islands attain their inde-  
18 pendence, the functions, powers, and duties exercised in the  
19 Philippine Islands by any officer, employee, department, or  
20 agency of the United States in carrying out the provisions  
21 of this Act shall be exercised under the general supervision  
22 of the United States High Commissioner to the Philippine  
23 Islands, and the officers, employees, offices, missions, and

- 1 other agencies exercising such functions, powers, and duties
- 2 shall be deemed to be attached to the office of the High
- 3 Commissioner.

Passed the Senate December 5 (legislative day, October 29), 1945.

Attest:

LESLIE L. BIFFLE,

*Secretary.*

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**AN ACT**

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To provide for the rehabilitation of the Philippine Islands, and for other purposes.

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DECEMBER 10, 1945

Referred to the Committee on Insular Affairs







thereunder. While such broad authority may have been required at the time of enactment, continually changing conditions would seem to call for circumscribing many of the activities of the departments and agencies that are presently operating under this broad form of legislation... In this connection, it is suggested that each department designate on a full-time basis an attorney for the purpose of reviewing all legislation upon which the activities of the departments are based with the view of making timely suggestions to the Congress, through the heads of the agencies and the President, for necessary revisions and improvements. There is no doubt in the mind of the committee that a clearer definition of the duties of each governmental unit will result in tremendous savings to the public. In the meantime, it is strongly urged that the Bureau of the Budget devote more time to the over-all coordination of the functions and activities of the various departments and agencies of government generally and less to the issuance of directives governing details of administrative management and planning. There is too much duplication of effort in the Government, and the Bureau of the Budget, as the central coordinating agency of all functions of the executive establishment, is the logical and only organization to undertake this reform...

"Reclassification of positions. It has come to the attention of the committee that many inequities have been permitted to creep into the Federal salary structure with respect to the classification of positions in the executive departments. It was generally admitted, for instance, that positions established in the war agencies were rated higher in salary than positions in the old-line agencies, the reason given being that the Government had to recruit a high grade of personnel in a short period of time and also that the employees engaged were entitled to somewhat more consideration because of the fact that their positions were of a temporary nature. It has now developed, however, that many of these employees have been transferred to the old-line agencies of the Government at the same salary rates, the only changes effected being in the names of the agencies at the head of their job-description sheets. This has had a very detrimental effect on the morale of the older employees, who have served in these agencies for many years prior to the war and who stayed at their posts during the war. The other extreme in this matter came to light in connection with the classification of positions for the Passport Division of the Department of State, wherein the Civil Service Commission has refused to grant reclassifications, especially in the lower brackets, necessary for the proper performance of this very vital activity. It would seem to the committee that a complete review of the present system of classifications should be undertaken."

State Department jurisdiction. The committee...sincerely hopes that the Department will give very serious consideration to reducing the Department to a more compact foreign-policy-making organization by divesting itself of the numerous functions which, it would seem to the committee, have only a remote and minor effect on the over-all foreign policies of this Government... If the Department of State should continue to operate on the basis...of bringing within the jurisdiction of the Department every activity containing some aspect of international relations -- it would seem to the committee that it will not be long before most of the activities of our Government could be placed in this category."

Soliciting appropriation requests. "The committee wishes to call to the attention...its disapproval of the practice of some bureaus of soliciting letters from business to Members of the Congress endorsing or urging requests for appropriations."



Statistics. "It is the thought of the committee... that the Census Bureau should limit its censuses, other than those specifically and clearly required by law, to the broader outlines of information rather than accumulating masses of detail of questionable or limited value. The action of the committee in reducing the Budget estimates... is tempered by the added responsibilities imposed on the Census Bureau by the statistical requirements of the Employment Act of 1946. However, what funds may be needed for such work should be specifically justified."

3. PRICE CONTROL. The Banking and Currency Committee reported with amendment H. R. 6042, the price-control continuation bill (H. Rept. 1922)(p. 3459).
4. COTTON. The Agriculture Committee reported without amendment H. J. Res. 336, to prohibit 1947 cotton marketing quotas and acreage allotments (H. Rept. 1912)(p. 3458).
5. SURPLUS PROPERTY. The Rules Committee reported without amendment H. Res. 385, to provide for an investigation of surplus-property disposal (H. Rept. 1889)(pp. 3428-9).
6. PHILIPPINE REHABILITATION. The Insular Affairs Committee reported with amendment S. 1610, to provide for rehabilitation of the Philippines (H. Rept. 1921)(p. 3459). Majority Leader McCormack obtained consent for this bill to be brought up today or any time this or next week (p. 3456).
7. VETERANS' HOUSING. Agreed to the Senate amendment to H. J. Res. 328, making an additional appropriation for veterans' housing (p. 3429). This measure will now be sent to the President.
8. SCHOOL LUNCH PROGRAM. Rep. Gross, Pa., charged extravagance in expenditures for checking on this program in the Virgin Islands (p. 3429).
9. COOPERATIVES. The Small Business Committee submitted a report on competition of cooperatives with other types of business (H. Rept. 1888)(p. 3458).
10. DAIRY INDUSTRY. Rep. Andresen, Minn., blamed Chester Bowles for the dairy shortage (pp. 3456-7).  
Rep. Hoeven, Iowa, stated that "price inequalities... will soon compel Iowa creameries to cease the manufacture of butter" (p. 3428).

SENATE

11. HOUSING. Continued debate on H. R. 4761, the Patman housing bill to provide for price control and subsidies on housing (pp. 3394-3426).  
Rejected, 20-53, an amendment by Sen. Capehart, Ind., to strike out the provision for subsidies on building materials (p. 3421).  
Rejected, 35-38, an amendment by Sen. Capehart, Ind., to strike out the provision which permits RFC to underwrite or guarantee markets for new type building materials and prefabricated houses (pp. 3416-21).  
An amendment by Sen. Revercomb, W. Va., to strike out the provision to authorize price ceilings on housing was pending at the time of recess (pp. 3421-6).  
Sen. Capper, Kans., inserted a National Women's Trade Union League letter favoring H. R. 4761, the Patman housing bill, and S. 1592, the Wagner-Elender-Taft national housing policy bill (pp. 3388-9).



The point of order was made that it was in the form of an appropriation. So this is necessary to authorize the appropriation of a similar amount. That is the sole purpose of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. PACE].

The amendment was agreed to.

Mr. GOSSETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOSSETT: On page 56, after line 2, insert a new section, as follows:

"SECTION 9. Any conveyance of real estate by the Government or any Government agency under this act shall include all mineral rights."

In line 4, change "Section 9" to "Section 10."

Mr. GOSSETT. Mr. Chairman, I have submitted this amendment to both the majority and minority members. Some members were of the opinion that the matter had been cared for in the bill, but a careful examination of the bill fails to disclose any treatment of the subject. Most of you, like myself, until recently did not know that under the Bankhead-Jones Farm Tenant Act, farms sold by the Farm Security Administration were sold by conveyance which retained three-fourths of the minerals. The Federal Housing Agency has been retaining all of the minerals in even 1-acre plots sold in housing developments. This has been very disturbing to the petroleum industry and to the farmers all over the Southwest. There is no reason for retaining minerals under a 40-acre or a 100-acre or a 160-acre farm that is sold anywhere in the United States. This amendment is just to take care of that situation, and to make sure that hereafter these conveyances of title shall carry with them the conveyance of the mineral rights.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. HOPE. The gentleman's amendment deals only, as I understand it, with conveyances which are made by the Government or Government agencies.

Mr. GOSSETT. That is exactly right. The amendment provides conveyances made by the Government or Government agencies.

Mr. HOPE. It would not have any relationship to any of the transactions under the insured-loans provisions of the bill?

Mr. GOSSETT. No, sir; it would not.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. POAGE. This matter was discussed in the committee, and I think the members of the committee will recall it was agreed at one time that we should make provision that the mineral rights should go with the rest of the land when we were selling land. Some way in the rewriting of this bill, which was rewritten several times, that provision seems to have dropped out.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. FLANNAGAN. The gentleman from Texas has made a correct statement. This matter was discussed before the committee to some considerable extent and it was agreed that the tenant should have the mineral rights.

Mr. GOSSETT. I thank the gentleman.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. GOSSETT].

The amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 10, line 6, after the comma following "\$1,000", strike out the remainder of line C, lines 7 and 8, through the period after "1946", and insert "which said sum is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated."

Mr. COOLEY. Mr. Chairman, this amendment is necessitated by the same situation as was the amendment offered by the gentleman from Georgia [Mr. PACE] a few minutes ago.

In view of the point of order made by the gentleman from Georgia [Mr. TARTER] with reference to the transfer of funds, it is necessary to amend the bill so as to authorize an appropriation of \$1,000 which would constitute the capital stock of the Corporation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and Mr. COOPER having assumed the chair as Speaker pro tempore, Mr. IZAC, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 5991), pursuant to House Resolution 587, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. FLANNAGAN asked and was given permission to extend the remarks he made today and include certain letters received from constituents in his district.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent that all Members

may have five legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DIRKSEN and Mr. RIZLEY asked and were given permission to revise and extend the remarks they made in the Committee of the Whole today.

Mr. GILLIE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution in opposition to the proposed loan to Great Britain.

Mr. MANSFIELD of Texas (at the request of Mr. GOSSETT) was given permission to extend his remarks in the Appendix of the RECORD and include a statement by Lt. Gen. Raymond A. Wheeler.

Mr. SABATH asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials and one article.

Mr. MERROW asked and was given permission to extend his remarks in the Appendix of the RECORD and include House Resolution 433, which he introduced on November 29, 1945.

Mr. WHITE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include therein certain excerpts.

Mr. MONRONEY asked and was given permission to extend his remarks in three separate instances, in one to include testimony before the Banking and Currency Committee given by the American Association of University Women, and in another to include an article on price control from the New York Times.

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a copy of a report on the Compton School.

I further ask that the RECORD show that I have returned following my short absence on account of critical illness in my own immediate family in California.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

#### REHABILITATION OF THE PHILIPPINES

Mr. BELL. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a report from the Committee on Insular Affairs on the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### RULE WAIVING POINTS OF ORDER ON STATE, JUSTICE, COMMERCE, AND JUDICIARY APPROPRIATION BILL, 1947

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 588, Rept. No. 1920), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year



ending June 30, 1947, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include two letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### A SOLID FRONT FOR OLD-AGE PENSIONS

Mr. STEWART. Mr. Speaker, all of Oklahoma's eight Congressmen have formed a solid front in writing a joint letter to their colleagues, petitioning them to sign discharge petition No. 21, which proposes to bring H. R. 1831, by STEWART, before the House for consideration.

To point out a few of the salubrious effects this bill would have on our present system of giving financial aid to the aged, it would remove the constant fear of having their pension cut by a case worker; it would enable the businessmen to intelligently extend credit to a recipient when he knows that the recipient will receive a certain sum on the first of each month; it would mean that a person would not have to be a slothful pauper in order to be eligible for aid as under this bill, a person can own a little property or have a small income from other sources and still be eligible. I beg each of you to sign this discharge petition, and let us pass this bill this session, not keep dragging it on and on.

The letter sent by the Oklahoma delegation to our colleagues is as follows:

In re discharge petition No. 21 for H. R. 1831.

DEAR COLLEAGUE: H. R. 1831 is offered as an amendment to the Social Security Act to equalize old-age assistance in each of our States. It would permit a recipient to have an income from other sources not to exceed \$1,200 per annum for a man and wife, or \$750 for a single person; and/or have capital assets not to exceed \$15,000 for a man and wife, or \$10,000 for a single beneficiary. It would also remove the eternal dread of the old folks of having their pension reduced by a case worker.

The entire Oklahoma delegation is in full agreement in support of this measure. Senate bill 436, by THOMAS of Oklahoma, is a companion bill. We would certainly appreciate your signing discharge petition No. 21 to bring this bill to the floor subject to amendments.

Respectfully submitted,

PAUL STEWART,  
ROSS RIZLEY,  
W. G. STIGLER,  
JED JOHNSON,  
VICTOR WICKERSHAM,  
LYLE H. BOREN,  
MIKE MONRONEY,  
*Members of Congress.*  
ELMER THOMAS,  
*United States Senator.*

Hon. O. J. Fox, president of the Welfare Federation, Inc., the old-age pension organization of Oklahoma, an ardent supporter of H. R. 1831, has written a letter commending and endorsing the action of the Members of Congress from Oklahoma for their teamwork to bring about the passage of this bill. His letter is as follows:

WELFARE FEDERATION, INC.,  
Oklahoma City, Okla., April 9, 1946.

Congressman PAUL STEWART,  
Washington, D. C.

DEAR PAUL: I am writing you, along with the other seven Members of the House and Senator ELMER THOMAS for the Welfare Federation, Inc., of Oklahoma, to commend and endorse your progressive action in initiating Discharge Petition No. 21 to bring to the floor of the House H. R. 1831, by STEWART.

This legislation warrants action at once and your joint letter to all the Members of Congress should be very effective in securing sufficient signers of the discharge petition to bring it to the floor for passage. And no doubt in my mind, when a majority of the signatures of Congress have been subscribed to the petition, it will be a happy day for our senior citizens on old-age pension rolls throughout America and many others eligible to be on the rolls who are not now.

Yours truly,

O. J. Fox,

President, Welfare Federation, Inc.

#### SPECIAL ORDER GRANTED

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that the special order of 30 minutes I had for this afternoon may be transferred to Thursday next, following the special orders already entered for that day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 7 minutes today following the special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### HOURLY OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### REHABILITATION OF THE PHILIPPINE ISLANDS—ORDER FOR CONSIDERATION OF THE BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow, or any day this week, or any day next week, to consider the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes, in the House as in the Committee of the Whole, and that there be not to exceed 1 hour general debate to be equally divided.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not, the bill will be read in the usual way, will it not? This simply obviates the necessity of a rule.

Mr. McCORMACK. The gentleman is right.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to revise and ex-

tend the remarks he made previously today.

Mr. BYRNE of New York asked and was given permission to extend his remarks in the RECORD and include an editorial from the Albany Knickerbocker News, entitled "Dewey Out of Step."

#### SPECIAL ORDER

The SPEAKER. Under previous special order, the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] is recognized for 7 minutes.

#### CHESTER BOWLES AND THE DAIRY PROBLEM

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I charge that Chester Bowles, the Economic Stabilizer for the Truman administration, is willfully and maliciously attempting to wreck the dairy industry of the United States. For more than 5 months, Mr. Bowles, as Director of the OPA, and now as Economic Stabilizer, has been fully aware of the dairy situation and existing price discriminations against butter and other dairy products. I charge that he has deliberately refused to take any action, making necessary corrections in the price structure of dairy products. The results of his dictatorial and unbending policies to correct past mistakes of the Truman administration in the handling of dairy problems has accomplished the following disastrous situation:

First. A decrease for 1946 of more than 4,000,000,000 pounds in milk supplies for human consumption. Many communities will have no milk supply within the next 30 days unless existing policies are immediately changed.

Second. Butter production has declined to the lowest point in 25 years. Producers of butter are selling their product at a loss of at least 12 cents per pound in relation to the price of cream sold for industrial and other purposes. To secure butter, the average housewife must either go into the black market and pay up to \$1 per pound, or buy cream and churn it at home, at a cost of up to \$1.50 a pound. Mr. Bowles has fostered and legalized the black market in butter. One would think that he is a member of the oleomargarine trust, which group is feverishly working to stop all butter production in the United States. Had Mr. Bowles deliberately set out to destroy a great American industry, he could not have done a more complete job than what he is doing with the butter industry of this country.

Third. The policies of Mr. Bowles for the Truman administration, and he is the responsible officer acting for the President, have created shortages of cheese, evaporated milk, and other dairy products, and soon there will be a decided shortage of fluid milk for human consumption.

On January 2, 1946, the Secretary of Agriculture informed Mr. Bowles in writing of the need for drastic changes in price policies on dairy products, but Mr. Bowles failed to act on the recommendation made by Secretary Anderson, and still refuses to correct his mistakes.

For many months, yes, for more than a year, experienced men in the dairy industry, dairymen, processors, and dis-



Frazer, Mont.," approved August 5, 1939; without amendment (Rept. No. 1913). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 5187. A bill granting the consent of Congress to the Norfolk & Western Railway Co. to construct, maintain, and operate a bridge across New River near Radford, Montgomery County, Va., without amendment (Rept. No. 1914). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 5384. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River, at a point between the boroughs of Elizabeth, in Elizabeth Township, and West Elizabeth, in Jefferson Township, in the county of Allegheny, and in the Commonwealth of Pennsylvania; without amendment (Rept. No. 1915). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 5387. A bill to provide for the construction of a bridge across the Monongahela River; with amendment (Rept. No. 1916). Referred to the House Calendar.

Mr. GILLETTE: Committee on Interstate and Foreign Commerce. H. R. 5403. A bill to revive and reenact the act entitled "An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River at Bridge Street in Plymouth Borough, between Plymouth and Hanover Townships, in the county of Luzerne, and the Commonwealth of Pennsylvania"; without amendment (Rept. No. 1917). Referred to the House Calendar.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 5444. A bill to revive and reenact and amend the act entitled "An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky," approved July 18, 1939, without amendment (Rept. No. 1918). Referred to the House Calendar.

Mr. PETERSON of Georgia: Committee on Rivers and Harbors. H. R. 2033. A bill authorizing Federal participation in the cost of protecting the shores of publicly owned property; with amendments (Rept. No. 1919). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 588. Resolution waiving points of order against H. R. 6056; without amendment (Rept. No. 1920). Referred to the House Calendar.

Mr. BELL: Committee on Insular Affairs. S. 1610. An act to provide for the rehabilitation of the Philippine Islands, and for other purposes; with amendment (Rept. No. 1921). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6042. A bill to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes; with amendment (Rept. No. 1922). Referred to the Committee of the Whole House on the State of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XXII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRISON: Committee on Claims. H. R. 781. A bill for the relief of Douglas Charles McRae, a minor; with amendment

(Rept. No. 1891). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1299. A bill for the relief of Morris Fine; with amendment (Rept. No. 1892). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 1754. A bill for the relief of Edwin Doyle Parrish; with amendment (Rept. No. 1893). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2242. A bill for the relief of Mrs. Lessie L. Bryant and Miss Jimmie Alexander; with amendment (Rept. No. 1894). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2248. A bill for the relief of Joseph E. Alarie; with amendment (Rept. No. 1895). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 3270. A bill for the relief of James B. McCarty; with amendment (Rept. No. 1896). Referred to the Committee of the Whole House.

Mr. COLE of Kansas: Committee on Claims. H. R. 3340. A bill for the relief of Mrs. Merla Koperski; with amendment (Rept. No. 1897). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 3599. A bill for the relief of Ama L. Normand; with amendment (Rept. No. 1898). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 3665. A bill for the relief of Needom Rashal, father of William Needom Rashal, a minor; with amendment (Rept. No. 1899). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 3726. A bill for the relief of Marvin Marshall and Fred C. Mitchell; with amendment (Rept. No. 1900). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. H. R. 3880. A bill for the relief of Nicholas Ray Schiegel; without amendment (Rept. No. 1901). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 4122. A bill for the relief of Guy B. Slater; with amendment (Rept. No. 1902). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4237. A bill for the relief of Mrs. Katherine I. Brooks and Sally Brooks, with amendment (Rept. No. 1903). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4639. A bill for the relief of C. LeRoy Phillips; with amendment (Rept. No. 1904). Referred to the Committee of the Whole House.

Mr. BARRETT of Pennsylvania: Committee on Claims. H. R. 4689. A bill for the relief of Mrs. Jean Russo; with amendment (Rept. No. 1905). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4750. A bill for the relief of C. C. Vest; with amendment (Rept. No. 1906). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4915. A bill for the relief of Irving W. Learned; with amendment (Rept. No. 1907). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5049. A bill for the relief of the estate of Obaldino Francis Dias; with amendment (Rept. No. 1908). Referred to the Committee of the Whole House.

Mr. MORRISON: Committee on Claims. H. R. 5071. A bill for the relief of Mrs. Dora Foster; with amendment (Rept. No. 1909). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5111. A bill for the relief of Mrs. Mildred L. Bupp; with amendment (Rept. No. 1910). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5525. A bill for the relief of Sylvia Wagner; with amendment (Rept. No. 1191). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 6057. A bill to amend the act of July 11, 1919 (41 Stat. 132), relating to the interchange of property between the Army and the Navy so as to include the Coast Guard within its provision; to the Committee on the Merchant Marine and Fisheries.

By Mr. TRAYNOR:

H. R. 6058. A bill to provide for the payment by the United States of premiums on bonds given to the United States by persons employed in the field and departmental service of the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. JACKSON (by request):

H. R. 6059. A bill to authorize the sale of certain lands of the L'Anse Band of Chippewa Indians, Michigan; to the Committee on Indian Affairs.

By Mr. CELLER:

H. Con. Res. 142. Concurrent resolution condemning the unilateral action of the Government of Great Britain in conferring independence on Trans-Jordan; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DONDERO:

H. R. 6060. A bill to record the lawful admission to the United States for permanent residence of Shigeno Takai Kanow; to the Committee on Immigration and Naturalization.

By Mr. GEARHART:

H. R. 6061. A bill for the relief of Willie B. Smith; to the Committee on Claims.

By Mr. LEFEVRE:

H. R. 6062. A bill for the relief of Nicholas Garadiasz; to the Committee on Claims.

By Mr. TOWE:

H. R. 6063. A bill for the relief of D. Lane Powers, Elaine Powers Taylor, and Monroe W. Taylor; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1774. By Mrs. BOLTON: Petition of sundry citizens of Greater Cleveland, Ohio, protesting any action to establish a system of compulsory military training for young men and boys of the Nation, especially while beer is sold or given away in camps, which is clearly detrimental to the moral fiber of teen-age youth; to the Committee on Military Affairs.

1775. By Mr. BRUMBAUGH: Petition of Martinsburg Sportsmen Association, Martinsburg, Pa., protesting the enactment of legislation providing for the registration of certain firearms with the Federal Bureau of Investigation; to the Committee on the Judiciary.

1776. By Mr. HOLMES of Washington: Petition of 41 patients in Veterans' Hospital, Walla Walla, Wash., urging passage of House bill 3426 providing for continued ratings of

permanent and total degree where active tuberculosis has been established and to terminate reduction of pensions, compensation, or retired pay under laws administered by the Veterans' Administration in the cases of veterans without dependents who are hospitalized or domiciled; to the Committee on World War Veterans' Legislation.

1777. By the SPEAKER: Petition of the League for Columbia Valley Authority, petitioning consideration of their resolution with reference to the antilobby resolution, and requesting passage of same; to the Committee on Rules.

1778. Also, petition of the general assembly of the Federation of the Employees of the Insular Government, petitioning considera-

tion of their resolution with reference to the political status of Puerto Rico; to the Committee on Insular Affairs.

1779. Also, petition of Mrs. Mertha Keller and others, petitioning consideration of their resolution with reference to endorsement of House bills 2229 and 2230, and Senate bills 690 and 809; to the Committee on Ways and Means.



## PROVIDING FOR THE REHABILITATION OF THE PHILIPPINES

APRIL 9, 1946.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BELL, from the Committee on Insular Affairs, submitted the following

### R E P O R T

[To accompany S. 1610]

The Committee on Insular Affairs, to whom was referred the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass. The committee concurred unanimously in approving the bill, as amended, and in urging prompt and speedy action by the House because of the serious emergency existing in the Philippines.

The amendments are as follows:

Page 1, line 4, delete "1945" and insert in lieu thereof "1946".

Page 1, line 10, delete the period after "States", insert in lieu thereof a comma, and insert "by and with the advice and consent of the Senate."

Page 2, line 1, delete "\$10,000" and insert in lieu thereof "\$12,000".

Page 2, line 12, delete the period after "thereof", insert in lieu thereof a comma, and insert:

to be fixed by the Commission without regard to the limitation prescribed in any existing law.

Page 2, line 15, after "compensation" insert "and allowances".

Page 2, line 15, insert a comma after "officers" and insert "attorneys".

Page 3, line 5, delete the period after "Philippines" and insert:

and shall give public notice of the time when, and the limit of the time within which, claims may be filed, which notice shall be given in such manner as the Commission shall prescribe.

Page 3, line 12, delete the period after "title" and insert:

if possible but, in no event later than five years from the enactment of this Act.



Page 3, line 15, after "loss" insert "or destruction".

Page 3, line 16, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 3, line 18, after "attack" delete "including action taken by or at the request of the military, naval, or air forces of the United States in resisting enemy attack);" and insert in lieu thereof:

(2) action taken by or at the request of the military, naval, or air forces of the United States to prevent such property from coming into the possession of the enemy;"

Page 3, line 21, delete "(2)" and insert in lieu thereof "(3)".

Page 3, line 23, delete "(3)" and insert in lieu thereof "(4)".

Page 3, line 25, after "in" insert "opposing, resisting or".

Page 4, line 1, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 4, line 1, delete "(4)" and insert in lieu thereof "(5)".

Page 4, line 3, after "authority" delete "or incidental to control by enemy forces:" and insert:

determined by the Commission to have resulted from any of the other perils enumerated in this section or from control by enemy forces:

Page 4, line 17, after "no" delete "payment or payments shall be made" and insert "claim shall be approved".

Page 5, line 4, after "claims" delete "payable to" and insert "approved in favor of".

Page 5, line 11, delete "Philippine Commonwealth" and insert in lieu thereof "Commonwealth of the Philippines".

Page 5, line 12, delete "Philippine Republic;" and insert in lieu thereof:

Republic of the Philippines or who, being a citizen of a nation not an enemy of the United States, which nation grants reciprocal war damage payments to American citizens resident in such countries, was, for five years prior to December 7, 1941, a resident of the Philippines;

Page 5, line 16, delete "Philippine Commonwealth" and insert in lieu thereof "Commonwealth of the Philippines".

Page 5, line 24, after "any" insert "unincorporated association, trust, or".

Page 5, line 25, after "successor" delete "if it satisfies the requirements of this paragraph (4)".

Page 6, line 3, after "any" insert "other unincorporated association, trust,".

Page 6, line 5, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 6, line 8, delete "Philippine Republic" and insert in lieu thereof "Republic of the Philippines".

Page 6, line 15, delete "Philippine Commonwealth" and insert in lieu thereof "Commonwealth of the Philippines".

Page 6, line 16, after "any" insert "unincorporated association, trust,".

Page 7, line 7, delete "Philippine Government" and insert in lieu thereof "Government of the Commonwealth of the Philippines (Republic of the Philippines)".

Page 7, line 10, after "the" delete "Government," and insert "War Department, Navy Department, respective".

Page 7, line 14, after "within" delete "nine months after the enactment hereof" and insert:

twelve months after the date on which public notice is given as prescribed in section 101 (c) of this title,

Page 7, line 23, after "(2)" delete "80 per centum of the remainder of the approved amount of the claim." and insert:

such percentage, not in excess of 80 per centum of the remainder of the approved amount of the claim as the Commission shall make applicable to all approved claims, due consideration having been given to the total funds available for distribution.

Page 8, delete lines 6 to 25, inclusive.

Page 9, line 1, delete "(c)" and insert in lieu thereof "(b)".

Page 9, line 4, delete "rebuilding or repairing lost or damaged property, or".

Page 9, line 5, after "placing" delete "it" and insert "lost, damaged, or destroyed property".

Page 9, line 14, at the end of the line add a new sentence:

To accomplish the purposes of this section such surplus property of the United States, wherever located, as the President of the United States by Executive order shall direct, shall be transferred to the Commission. The Commission shall pay to the disposal agency the fair value of the property as agreed to by the Commission and the disposal agency.

Page 9, line 15, delete "(d)" and insert in lieu thereof "(c)".

Page 9, line 19, delete the period and insert in lieu thereof a colon, and insert:

*Provided*, That if the Commission determines it is impossible for any reason beyond the control of the claimant, or is impractical to rebuild, replace, or repair the lost or damaged property, the Commission may make payment to the claimant without making said requirement: *Provided, however*, That, as a condition to the making of such payment, the Commission shall require that the whole of such payment shall be reinvested in such manner as will further the rehabilitation or economic development of the Philippines: *And provided further*, That nothing in this subsection shall preclude the partial payment of claims as the rebuilding, replacing, or repairing of the property progresses.

Page 10, line 2, delete "330,000,000" and insert in lieu thereof "\$400,000,000".

Page 10, line 4, delete "1,500,000" and insert in lieu thereof "4,000,000".

Page 10, line 6, after "Any" delete "sums" and insert "money or bullion".

Page 10, line 8, after "of" delete "the".

Page 10, line 8, delete the dash after "war" and insert "losses in the Philippines —".

Page 10, line 10, after "the" delete "sums" and insert "value of said money or bullion".

Page 10, line 11, delete "are" and insert in lieu thereof "is".

Page 10, delete all of lines 15 to 25, inclusive, and

Page 11, delete all of lines 1 to 6, inclusive, and insert in lieu thereof the following:

(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, the excess over the amounts so appropriated shall be used, first, to satisfy in full the balance unpaid of any approved claims under this title; second, toward the payment of any amount by which any claim was reduced under section 102 (a) hereof; third, toward the satisfaction of any approved claim of the Government of the Commonwealth of the Philippines (or the Republic of the Philippines), its provinces, cities, municipalities, and instrumentalities, not compensated under this Act; and

(3) The balance shall be covered into the Treasury of the United States.

(c) Notwithstanding any other provision of law, any other property received by the United States from the Japanese Government or the Japanese people, whether by way of reparations or restitution on account of war losses in the Philippines, may be transferred, by Executive order of the President of the United States, to the Commission, to be applied in kind, under such regulations as may be adopted by it, to the payment of losses or damages covered by this Act, or in such other manner as the Commission may determine to be necessary to carry out the purposes and policy of this Act.

(d) Nothing in this Act shall prejudice the right of any claimant not covered by this Act to recover damages from the Japanese Government or the Japanese people, by way of reparations or indemnity on account of the war, for losses not, or not fully, compensated for hereunder.

Page 11, line 7, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 11, line 9, delete the comma after "false".

Page 11, line 9, after "willfully" insert "and fraudently".

Page 11, line 10, insert a comma after "property".

Page 11, line 17, after "both" delete the period and insert a comma, and insert:

and shall not receive any payments or other benefits under this title and, if any payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same.

Page 11, line 23, delete "Whoever, in" and all of lines 24 and 25, and on page 12, delete all of lines 1 to 5, inclusive, and insert in lieu thereof the following:

Whoever, in the Philippines or elsewhere, pays or offers to pay, or promises to pay, or receives, on account of services rendered or to be rendered in connection with any claim for compensation hereunder, any remuneration in excess of the maximum permitted by this section, shall be deemed guilty of a misdemeanor and, upon conviction thereof shall be fined not more than \$5,000, or imprisoned for not more than twelve months or both, and, if any such payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same, and, in addition thereto, any such claimant shall forfeit all rights under this title.

Page 12, line 15, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 12, lines 20 and 21, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 13, line 2, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 13, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 13, line 17, insert after the word "pleasure" and before the word "aircraft", the words "watercraft and pleasure".

Page 13, line 17, after the word "aircraft" delete the semicolon and insert in lieu thereof a colon, and insert:

*Provided, however,* That such protection, compensation, or consideration shall extend to such of the foregoing items as may have constituted inventories, supplies or equipment for carrying on a trade or business within the Philippines;

Page 13, line 23, after "occur," delete "and".

Page 13, line 23, after "(c)" delete "vessels propelled by sail;" and insert the following:

watercraft and commercial vessels of Philippine registry and watercraft of Philippine or American ownership, in harbors and territorial and inland waters of the Philippines, and (d) cargoes and equipment on vessels and watercraft described in (a), (b) and (c) above; except as modified by and subject to clauses (1) and (5) of this section.



Page 14, line 1, and line 2, delete.

Page 14, line 3, delete "(4)" and insert in lieu thereof "(3)".

Page 14, line 4 and line 5, delete.

Page 14, line 6, delete "(6)" and insert in lieu thereof "(4)".

Page 14, line 6, add "s" to "Philippine" and delete "Islands".

Page 14, line 9, delete "(7)" and insert in lieu thereof "(5)".

Page 14, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 14, line 24, delete "fixed" and insert in lieu thereof "agreed".

Page 14, line 24, insert after "by" the words "the Commission and".

Page 16, line 5, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 16, delete all on lines 6 to 20, inclusive, and insert the following:

and to aid in repairing and replacing buildings (including hospitals, educational and charitable institutions furnishing essential health, educational, and welfare services), works, utilities, equipment, or other property, owned by the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, or other governmental units in the Philippines, in cases where such government-owned buildings, works, utilities, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise to aid in facilitating the normal operations of existing governmental units in the Philippines,

Page 16, line 25, delete the comma before "notwithstanding".

Page 16, line 25, delete "notwithstanding any other provision of law,".

Page 17, line 1, after "Philippines," insert "provincial governments, chartered cities or municipalities,".

Page 17, line 3, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 17, line 9, after "Philippines" insert "(Republic of the Philippines)".

Page 17, line 12, after "The", beginning a new sentence, delete "Department of State shall furnish a copy of such record to the Surplus Property Administrator, and shall also make" and insert the following: "Commissioner shall make".

Page 17, delete all of lines 17 to 24, inclusive; and on

Page 18, delete all of lines 1 to 16, inclusive, and insert in lieu thereof the following:

SEC. 203. Surplus property now or hereafter located in the Philippines shall be disposed of only in accordance with the provisions of this Act and the Surplus Property Act of 1944 as heretofore or hereafter amended. Such disposals shall not be subject to the provisions of any law inconsistent herewith. The Commission shall, so far as practicable, dispose of surplus property in the Philippines in such a manner and in such quantities, within the provisions of the Surplus Property Act, as will prevent unnecessary distribution costs and excessive profits.

Page 18, line 18, delete "this".

Page 18, line 19, delete "title" and insert "section 201".

Page 18, delete all of lines 20 to 22, inclusive.

Page 18, line 23, delete "206" and insert in lieu thereof "205".

Page 18, line 24, after "Philippines" delete "under this title," and insert "(Republic of the Philippines), provincial governments, chartered cities or municipalities under section 201,".

Page 19, line 1, delete "\$30,000,000" and insert in lieu thereof "\$100,000,000".

Page 19, line 3, delete "207" and insert in lieu thereof "206".

Page 19, line 9, after "Philippines" insert (Republic of the Philippines).".

Page 19, line 23, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 20, line 3, after "authorized" insert a comma and the words "after consultation with the Philippine Government,".

Page 20, line 7, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 20, line 11, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 20, line 20, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 20, line 23, after "authorized" insert a comma and the words "after consultation with the Philippine Government,".

Page 20, line 25, delete "Philippine" and insert in lieu thereof "Philippines".

Page 21, line 1, delete "Islands".

Page 21, line 9, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 21, line 20, delete "Philippine Republic)" and insert in lieu thereof "Republic of the Philippines)".

Page 21, line 22, delete "Philippine Republic)" and insert in lieu thereof "Republic of the Philippines)".

Page 21, line 23, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 21, line 24, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 22, line 15, after "undertake" insert a comma and the words "after consultation with the Philippine Government,".

Page 23, line 6, after "and", at the beginning of the line, delete "reconversion" and insert in lieu thereof "rehabilitation".

Page 23, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 23, line 11, delete "Philippine Islands" and insert in lieu thereof "Philippines (Republic of the Philippines)".

Page 23, line 14, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 23, line 17, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 23, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 23, line 24, delete "Philip-".

Page 23, line 25, delete "pine Islands" and insert in lieu thereof "Philippines".

Page 23, line 25, add "s" to "Philippine".

Page 24, line 1, delete "Islands".

Page 24, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 24, line 17, delete "Philippine Islands," and insert "Philippines, notwithstanding the provisions of any existing law,".

Page 24, line 20, after "vessels" delete "of less than two thousand gross tons" and insert "suitable for operation in the inter-island commerce of the Philippines".

Page 24, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 25, line 1, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 25, line 5, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 25, line 9, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 25, line 11, after "at" delete "the" and insert in lieu thereof "a".

Page 25, line 12, after "Academy" insert a period and delete "at Kings Point, New York."

Page 26, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 26, line 12, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 26, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 26, line 11, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 27, line 18, after "addition" insert "to".

Page 27, line 23, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 28, line 3, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 28, line 10, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 28, line 14, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 28, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 29, line 8, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 29, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 29, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 30, line 5, add "s" to "Philippine".

Page 30, line 6, delete "Islands".

Page 30, line 10, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 30, line 12, delete "Philippine Commonwealth (or the Philippine Republic)," and insert in lieu thereof "Philippines,".

Page 31, line 16, after "exclusion," insert "or".

Page 31, line 16, delete the word "or" at the end of the line.

Page 31, line 17, delete "registration of aliens:" and insert "except registration and fingerprinting as provided in the Alien Registration Act of 1940 (8 U. S. C. 451, et seq.):".

Page 32, line 5, delete "Philippine Government" and insert in lieu thereof "Philippines".

Page 32, line 13, after "title" insert a comma and the words "except the last proviso to subsection (d) of this section,".

Page 32, line 17, delete "Philippine Islands" and insert in lieu thereof "Philippines".



Page 32, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines".

Page 32, line 22, add an "s" to "Philippine".

Page 32, line 23, delete "Islands".

Page 33, after line 3, insert the following:

SEC. 402. On and after the date upon which the Philippines attain their independence the power, authority, duties, and functions authorized under this Act to be exercised by the High Commissioner to the Philippines shall vest in and be exercised by such representative or representatives of the United States as shall be appointed for that purpose by the President of the United States.

Insert a new title, as follows:

#### TITLE V—RESTORATION AND IMPROVEMENT OF THE PROPERTY OF THE UNITED STATES

SEC. 501. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000,000 for the restoration, repair of damage to and improvement of lands and buildings referred to in paragraph (3) of subsection (c) of section 3 of Public Law Numbered 300, Seventy-sixth Congress, first session (53 Stat. 1226), and for the acquisition or construction of additional buildings to house the civil agencies, including the diplomatic and consular establishments of the United States operating in the Philippine Islands."

Insert a new title, as follows:

#### TITLE VI—GENERAL PROVISIONS

SEC. 601. No payments under title I of this Act in excess of \$500 shall be made until an executive agreement shall have been entered into between the President of the United States and the President of the Philippines, and such agreement shall have become effective according to its terms, providing for trade relations between the United States and the Philippines, and which agreement shall also provide for the same offenses, and penalties upon conviction, thereof, as are set forth in section 107 and section 108 of title I of this Act.

SEC. 602. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

S. 1610 recognizes the obligation of the United States to help rehabilitate the economy and physical properties of a people who will become an independent nation July 4, 1946, and whose land was ravaged by participation in the war of the United States against Japan. The grant of independence under the terms of the Independence Act of 1934 (Public Law 127, 73d Cong.) implies an obligation to help insure the survival of the nation as an economic unit.

Without S. 1610 no program for the rehabilitation of the Philippines could succeed. This bill authorizes the appropriation of funds and the supplying of aids-in-kind that will permit the islands to restore their war-ravaged country to something approaching its pre-war status. The fact that the date of independence is immediately impending does not minimize the obligation of the United States to provide this essential assistance. Without this assistance, the independence program, from which the United States has derived and will derive great international credit, could not succeed.

This bill is not the full answer to Philippine rehabilitation needs. Provision for postindependence trade relations between the Philippines and the United States is a condition precedent to the rebuilding of the national economy and the repair of the physical structures of the country. The expenditure of money on rebuilding would accom-

plish little if no functional economic use were provided for the structures and economic utilities whose repair and replacement are provided for in S. 1610.

S. 1610 does not pretend to repay in full for all the damages due to Philippine involvement in war. It will provide a partial payment and depend on private capital for the remainder. S. 1610 also provides certain aids in the form of technical assistance and training, and for the use of surplus property in the rehabilitation program.

The bill is not a private claims measure to reimburse individuals or organizations for damage incurred in war. The primary function of the payments is to assist and encourage rehabilitation and rebuilding of the economy and social structure of the Nation. Some individual hardships may be caused by insistence on the rehabilitation principle, but your committee felt that no other considerations should be provided in this legislation.

*Destroyed properties.*—The rehabilitation of the following properties, industries, and functions is considered essential to the primary objective of the bill:

1. Public buildings, properties, equipment, and supplies—national and local, including public operations.
2. Hospitals, schools, and other institutions essential to public health and welfare.
3. Churches and church properties.
4. Public roads, streets, and bridges.
5. Port and harbor facilities.
6. Interisland and water transportation, including private water transport.
7. Land transportation, including private automobiles.
8. Air transportation.
9. Communications—land, air, and wire.
10. Private homes, apartments, and other housing facilities.
11. Agriculture, including replacement of animals and equipment.
12. Fishing.
13. Forestry and lumber.
14. Commercial and industrial buildings and properties, including warehouses and manufacturing plants, equipment, and inventories.
15. Private utilities.
16. Properties, civil, consular and diplomatic, of the United States.

*Training Filipino technicians.*—Training a limited number of Filipinos, in the United States, is provided for in the services mentioned above, also in the safe operation of air traffic, merchant marine operation, and highway maintenance and operations. Training in these services, disrupted by war, is considered particularly essential to rehabilitation.

*Surplus property.*—Another objective is the disposal and utilization, in rehabilitation, of surplus war property in the Philippines. This is covered in detail in the section titled "Explanation of S. 1610."

*Safeguards of bill.*—Certain tangible assets, not essential to rehabilitation, pleasure facilities, and intangibles are not covered by the bill. In furthering rehabilitation, the bill requires that, to the fullest extent practicable, lost or damaged property must be replaced, rebuilt,

or repaired, or that payments be reinvested in the Philippines in such manner as will further rehabilitation.

The means and methods for making payments for war damages under this bill are described in this report under the section headed "Detailed Explanation of S. 1610 (as amended)."

#### FRIENDLY PHILIPPINE-AMERICAN RELATIONS

This legislation is unique in American history. Never before has the United States Government appropriated funds to pay for damages suffered by its citizens or nationals in war. But United States relations with the Philippines are likewise unique not only in our own history, but in the history of the world. Never before has a sovereign voluntarily granted independence to a colonial dependency. S. 1610 recognizes that unique relationship engendered first by our grant of independence to the islands and lately intensified by Philippine sacrifices in the American cause during the war.

Filipinos did not renounce American sovereignty under pressure of Japanese occupation. They remained cooperative, loyal, and devoted to the precepts of democracy.

At San Francisco, when the United Nations Organization was established, the policy of self-determination was advanced as an integral part of America's foreign policy. The example of the Philippines was prominently and dramatically cited. Representatives of the Commonwealth of the Philippines were permitted to participate in the organization of the United Nations. That was done in recognition of their wartime valor as well as to give them experience in foreign affairs, anticipating the date when the Philippines would become an independent country.

#### IMPORTANCE OF CONTINUED GOOD WILL BETWEEN TWO NATIONS

Politically, the Philippines are and always will be close to us. Their form of government closely parallels ours. Strategically, the Philippines are vital to the United States. We are maintaining strong military and naval bases there, even after independence. Economically, the Philippines are vitally important to the United States. Before the war the Philippines were our sixth best offshore customer for American-made goods. In turn, the Philippines routed through the trade markets of the United States virtually all of its own exportable production, mainly raw materials required by the United States and either not produced here or not produced here in sufficient quantities to meet our requirements.

Our relations with the Philippines offer an opportunity for America to create good will and understanding throughout the world, particularly the Far East. The United States will be judged by the Orient and the world in accordance with the treatment accorded the Philippines in this bill and in the matter of future trade. The Far East appears to be America's greatest potential market for the future. The development of these markets should do much to support the long-term expansion of American production.



## DEVASTATION IN THE PHILIPPINES

The Philippines have been termed "the most devastated land in the world."

Official reports, photographic evidence, and statements of those who have seen the ruin and destruction are unanimous in asserting that, of all the war-ravaged areas of the world, the Philippines are the most utterly devastated from the standpoint of the ratio of functional construction still intact to functional construction damaged or destroyed, the effect of destruction on functional economy and social facilities of the nation, and the effect of war damage on the capacity of the nation to rebuild and repair.

Years of rebuilding will be necessary before the former physical conditions in the islands can be restored.

Commercial buildings, stores, and modern office buildings, factories, bridges, docks, transport facilities, communications, utilities—in fact, everything on which the Philippine economy depended—have been destroyed. Every major public building in Manila and throughout the islands, hundreds of thousands of homes, most of the churches, cathedrals, schools, and universities, felt the impact of destruction. Interisland commerce was wiped out and disappeared. Roads were damaged almost beyond repair, and everywhere communications were and are disrupted.

Pictures of Manila show that the city was ravaged by the Japanese and, of necessity, by our own air bombardments and artillery to an extent far greater than the damage done to the cities of Germany; and Manila is not the worst damaged of the major cities of the Philippines.

With the laying waste of the cities and of the major agricultural and industrial enterprises, sources of tax income to sustain governmental functions, necessarily broader now than ever, have been dried up.

*Three phases of destruction.*—All wars are costly in life and property, but, in the case of the Philippines, it proved doubly costly because of the peculiar intensity of destruction by United States forces in the process of liberating the islands from the Japanese. The following description of the conflict in the Philippines is necessary to obtain a clear picture of the manner in which the losses occurred. The destruction can be divided into the three following phases:

1. Damage inflicted during the first phase of the war (1941–42) by demolition of essential facilities by retreating American forces; by destruction of property by individual Americans and Filipinos to prevent capture and use by the Japanese (the so-called scorched-earth program); and by destruction during actual combat, including artillery destruction, up to the time of surrender.

2. Damage inflicted during the Japanese occupation by guerrilla forces; by Japanese forces in retribution for guerrilla activities; by individual loyal Filipinos performing sabotage; and by seizure and stealing of property by the Japanese during the occupation.

3. Damage inflicted during the liberation by American bombings prior to and subsequent to landings on the various islands; by Japanese forces during retreat; by demolition and sabotage

carried on by guerrilla forces and isolation of Japanese military units; and by damage by artillery fire and small arms during actual combat.

In comparison with the total damage inflicted, that occurring during the first phase was relatively small and confined to the major Japanese objectives such as Manila, Cebu, Davao, and Zamboanga.

During the second phase the damage was widespread, but mostly in small villages and agricultural districts and isolated structures along the Japanese supply lines.

The great bulk of the damage was done during the third and final phase. American planes accounted for considerable damage before the landings. This type of destruction increased as the Japanese formed centers of resistance from which they refused to be dislodged by ordinary means. American artillery fire, especially in Manila, literally pulverized scores of buildings in which Japanese held out to the last. The Japanese wantonly demolished and set to torch entire sections of Manila, Cebu, and smaller cities to the south of Manila during their retreat.

*Damage to cities.*—It has been reported by the War Damage Corporation, which made a block-by-block check of the damaged areas in five out of the eight chartered cities of the Philippines, that the destruction was paralyzing to any semblance of normal life in those cities. The losses in the five cities surveyed, indicative of the damage in all of them, are shown in the following table compiled by the War Damage Corporation.

City	Island	Area damaged
		Percent
Manila.....	Luzon.....	50
Cebu City.....	Cebu.....	70
Iloilo.....	Panay.....	75
Bacolod.....	Negros.....	35
Zamboanga.....	Mindanao.....	90
Davao <sup>1</sup> .....	do.....	85

<sup>1</sup> According to aerial photographs and verbal reports.

In making its study the War Damage Corporation mission made general surveys in seven other cities but relied mainly upon information supplied by public officials for estimates of losses in other parts of the islands.

*Yardstick for loss estimates.*—The estimates by the War Damage Corporation were based upon assessed valuations and not upon actual or replacement values. There would admittedly be a great variance between the old assessed value and current replacement value because of the increased cost of labor and building materials and the general inflationary conditions in the islands.

Inasmuch, however, as the assessment law of the Commonwealth states that all property shall be assessed at true value and the Commonwealth compensates for expropriated property at the assessed value, the use of the assessment values as the yardstick for estimating losses was perhaps the best one to use.

*Total losses estimated.*—A composite table of the estimates of losses, as ascertained by the War Damage Corporation and the Technical Committee to the President of the Philippines, is as follows:

*Recapitulation of all losses in the Philippines*

Public property.....	\$195,347,595
Church properties.....	139,000,000
Private properties.....	464,420,000
Vessels and watercraft.....	20,000,000
Grand total.....	818,767,595

■ A report of the technical committee to the President of the Philippines estimated the total losses because of the war to be \$860,872,000. These estimates were based upon 1935 values and, using 1944 values, would increase the total damage estimate to \$1,186,540,000.

As an indication of the widespread extent of the damage in the Philippines, the War Damage Corporation estimated that there would be approximately 750,000 claimants for war damages under the legislation recommended.

*No rehabilitation to date.*—In the 10 months since the liberation of the Philippines little, if anything, has been done to repair and rehabilitate the islands.

Since liberation, only emergency relief has been provided (1) by the release to the Philippine government of Philippine funds held in the United States, (2) relief provided by the military forces during the early days after liberation, and (3) relief extended by UNRRA, American Red Cross, and similar organizations.

The Philippines and all of its political subdivisions have been without funds because of negligible income from taxes or other sources. Emergency relief has been necessary and was an added financial burden. Obviously there were no funds for rehabilitation.

Only roads, streets, bridges, and highways necessary for military operations have been restored by the Army and Navy. The repair and reconstruction of roads and bridges were not of a permanent nature but only to serve minimum military needs.

Only those buildings and structures in Manila and other cities needed by the military were repaired.

Even the rubble and debris from the wrecked cities have been left except where necessary to provide passageway for roads, streets, and space for the building of temporary housing and military structures.

*Causes of rehabilitation delays.*—The reasons why reconstruction has not gotten under way may easily be summarized as follows: (1) Lack of Government funds; (2) unwillingness of private capital to undertake reconstruction in the absence of assurances of future trade relations with the approach of Philippine independence on July 4; (3) national concentration on political issues preventing all-out consideration of economic problems; and (4) inability of the United States Government to act speedily to resolve Philippine uncertainties.

The task of rebuilding the Philippines is still before us. Only the most meager start has been made.

## SOURCES OF INFORMATION AND DATA

In June 1945, in recognition of the tremendous economic problems which would be faced by the Philippines upon their liberation from the enemy and in recognition of the need to answer the unsolved problem of Philippine trade relations with the United States after independence,



Congress enacted Public Law 381. That law provided for the establishment of the Filipino Rehabilitation Commission, consisting of three Senators, three Representatives, and three public members, and a like number of members appointed by the President of the Philippines to—

investigate all matters affecting postwar economy, trade, finance, economic stability, and rehabilitation of the Philippine Islands, including the damages to public and private property and to persons occasioned by enemy attack and occupation, and to formulate recommendations based upon such investigations and for future trade relations between the United States and the independent Philippine Republic when established \* \* \*.

Serving as members of the Filipino Rehabilitation Commission were three members of this committee—Chairman C. Jasper Bell, of Missouri; Hon. Dan R. McGehee, of Mississippi; and Hon. Richard J. Welch, of California.

Since the formation of that Commission it has made many studies of Philippine rehabilitation problems. Many provisions and amendments in S. 1610 are the result of the deliberations of the Commission and its members.

Another official body which has made studies of the Philippine war damage problem was the Technical Committee to the President of the Philippines, appointed in 1944 by President Osmeña. The report of the technical committee, made in March 1945 was a source of valuable information and supplementary data considered by the committee in connection with S. 1610.

Following the liberation of the Philippines, a number of Federal Government missions were sent to the Philippines. The President of the United States sent a special mission, headed by Senator Millard E. Tydings, to the islands in August 1945, and sent a later commission headed by Hon. Paul V. McNutt, subsequently named United States High Commissioner to the Philippines.

The War Damage Corporation, at the request of Senator Tydings, Chairman of the Filipino Rehabilitation Commission, sent a technical mission to the Philippines in June 1945. This mission, upon its return, submitted a report which was used as the fundamental basis for estimating war-damage losses for the purposes of drafting S. 1610. (This report has been printed in full in the hearings of your committee on S. 1610.)

High Commissioner Paul V. McNutt, who recently arrived from Manila, appeared before your committee at eight separate hearings to explain and discuss the provisions of the bill. Your committee also heard Gen. Carlos P. Romulo, Resident Commissioner of the Philippine Commonwealth, and heard suggestions and proposed amendments from the various executive departments and agencies.

Every department and arm of the executive branch of the Federal Government indicated support of the broad principles of S. 1610.

The Commonwealth of the Philippines has placed on record its unqualified support and endorsement of S. 1610 and has requested its speedy approval.

#### DETAILED EXPLANATION OF S. 1610 (AS AMENDED)

The purpose of S. 1610 as expressed in the title, is "to provide for the rehabilitation of the Philippines and for other purposes." That

is accomplished by providing compensation for war damages to private property (title I); by transferring surplus property of the United States to the Commonwealth of the Philippines and other governmental subdivisions (title II); and by authorizing various agencies of the United States to carry on programs for the restoration and improvement of public property and essential public services (title III). Three additional titles define the relations between the War Damage Commission and the United States High Commissioner and with his successor when he goes out of office on July 4 (title IV); provide funds for the restoration and repair of buildings owned by the United States Government in the Philippines (title V); and associate the provisions of S. 1610 with the negotiation of a post-independence trade agreement between the Philippines and the United States (title VI).

The provisions of S. 1610 by titles with brief explanations of their intent and effect follow:

#### TITLE I—COMPENSATION FOR WAR DAMAGE TO PRIVATE PROPERTY

Payment of compensation under title I is limited to payment for loss or damage to private property. The Commonwealth Government and other governmental units do not qualify under this title.

*Philippine War Damage Commission.*—Section 101 establishes a Philippine War Damage Commission, consisting of three members (one of whom shall be a Filipino), to be appointed by the President of the United States, subject to confirmation by the Senate; gives the Commission authority to make war-damage payments to the extent provided; to appoint and fix the compensation and allowances of such officers and to make such expenditures as may be necessary to carry out its functions; to utilize the services and facilities of any other department or agency of the Government with the consent of the head of such departments or agencies; to prescribe such rules and regulations as are necessary; and to delegate functions to any member, officer, or employee of the Commission, or of any other department or agency of the United States or of the Commonwealth of the Philippines.

The members would receive \$12,000 a year as compensation and necessary traveling and other expenses or a per diem allowance in lieu thereof, to be fixed by the Commission without regard to limitations prescribed in existing law.

The Commission is directed to wind up its affairs not later than 2 years after the expiration of the time for filing claims, if possible, but in no event later than 5 years from the enactment of this bill, also fixing the same time for the expiration of the terms of office of its members, and to report to Congress concerning its operations, not later than 6 months after its organization and every 6 months thereafter.

*Definition of coverage.*—Compensation is authorized to be paid on account of physical loss or destruction of or damage to property in the Philippines (a) occurring after December 7, 1941, and before October 1, 1945, (b) as a result of one or more of five specified perils of war (see. 102 (a)).

*Eligibility of claimants.*—Compensation is payable only to "qualified persons" (as defined) having, on December 7, 1941, and continuously to and including the time of loss or damage, an insurable interest as



owner, mortgager, lienholder, or pledgee in such property so lost or damaged (sec. 102 (a)).

In general, the "qualified person" to whom compensation is payable means (1) a citizen of the United States or of the Philippines; (2) a citizen of a nation not an enemy of the United States (which nation grants reciprocal war-damage payments to American citizens resident in such countries) and who was a resident of the Philippines for 5 years prior to December 7, 1941; (3) an individual who at any time subsequent to September 16, 1940, and prior to August 14, 1945, served honorably in the armed forces of the United States or of the Commonwealth of the Philippines or honorably performed "service in the merchant marine"; (4) any church or other religious organization; and (5) any unincorporated association, trust corporation, or sociedad anonima organized pursuant to the laws of the several States or of the United States, or of any Territory or possession thereof, or the Philippines, but excluding any corporation wholly owned by the Commonwealth or Republic of the Philippines (sec. 102 (b)).

However, compensation cannot be paid to (a) any enemy alien; (b) any person found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Philippines; or (c) any unincorporated association, trust corporation, or Société Anonyme owned or controlled by any of the persons specified in (a) and (b) of this paragraph (sec. 103).

*Classes of property covered and excluded.*—Certain classes of property are excluded from compensation and the Commission is directed not to make any payment, directly or indirectly, on account of loss or damage to them (sec. 110).

Types of property ineligible for compensation consist of (1) specifically enumerated items of personal property; (2) vessels and watercraft of other than Philippine registry (certain exceptions are provided), their cargoes and equipment; (3) intangibles; (4) shipments diverted to the Philippines by authority of the United States Government; and (5) property (cargo) in transit which was insured against war perils or for which such insurance was available. Certain exceptions are made to classes (1) and (2) as a result of which the following property is specifically included within the protection of the act and compensation is payable on account of its loss or damage: (a) Any of the items of personal property specified in section 110 (1) which constituted inventories, supplies, or equipment for carrying on a trade or business within the Philippines; (b) vessels used or intended to be used exclusively for storage, housing, manufacturing, or generating power; vessels while under construction until delivery by the builder, or sailing on delivery trip, whichever occurred first; watercraft and commercial vessels of Philippine registry and watercraft of Philippine or American ownership in harbors and territorial and inland waters of the Philippines; and cargoes and equipment on vessels and watercraft described above.

The first exception draws the distinction between items of personal property devoted to personal use, and those being used for trade and commerce.

As to vessels and watercraft, the general purpose is to include all such (except pleasure watercraft) where the loss or damage occurred within the harbors and territorial and inland waters of the Philippines, except oceangoing commercial vessels of other than Philippine registry. These are excluded for the reason that they could have been or should



have been insured against war perils before they left their home port. Vessels of Philippine registry are included for the reason that the custom of the industry was to insure them "by the trip" but, when the vessels had returned to the Philippine harbors or inland waters at the end of such trip; they were no longer covered.

*Duplicate payments barred*—Special attention has been given to protecting the United States against duplicate payments of war damage compensation. Thus under this bill the Commission is forbidden to pay compensation for any loss or damage (1) which was insured against specified war perils (except to the extent the loss or damage exceeds the amount of insurance (sec. 103 (d))); (2) or for which the War or Navy Departments are authorized to make payments (sec. 103 (e)); or (3) for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid by the Philippine Government, or by other departments of the United States Government, unless the latter have refused to make payment (sec. 103 (e)); (4) and for cargo in transit which either was insured against war perils or on which such insurance was available (sec. 110 (5)).

The War Damage Corporation of the Reconstruction Finance Corporation is at the same time prohibited from paying compensation for any war damage in the Philippines except to the extent provided in its policies of insurance issued in consideration of a premium paid (sec. 109).

*Approval of claims*.—No claim shall be approved in an aggregate amount which exceeds whichever of the following amounts (as determined by the Commission) is less; (a) the actual cash value at the time of loss of property lost or destroyed and the amount of actual damage to other property damaged; or (b) the cost of repairing or rebuilding such lost or damaged property, or replacing the same with other property of like or similar quality (sec. 102 (a)).

The bill does not authorize the payment in full of any claims in excess of \$500. Where the aggregate amount payable to any one claimant exceeds \$500 the aggregate amount approved is to be reduced by 25 percent of the excess over \$500 (sec. 102 (a)).

*Payment of claims*.—Approved claims are payable either in cash or by replacing lost, damaged, or destroyed property with other property of similar kind, at the option of the Commission (sec. 104 (a) (b)).

No claim is to be paid unless approved by the Commission or its authorized representatives. Approved claims up to \$500 may be paid immediately. On claims in excess of \$500 immediate payment of \$500 plus an amount not to exceed 80 percent of the remainder is authorized to be paid.

It is provided that of the total amount available for payment of claims for damage to private property, each claimant is to receive an equal and proportionate share, according to the size of his claim, in excess of \$500. The percentage proportion of the amount payable in excess of \$500 is to be the same for all claims.

Payment, in whole or in part, may be made by replacing lost, damaged, or destroyed property with other property of similar kind. The Commission may do this by furnishing property of similar kind or by arranging the repair or rebuilding of the damaged property.

To accomplish this, the bill provides that available United States surplus property, as the President of the United States by Executive order shall direct, is to be transferred to the Commission. The Commission is required to pay the disposal agency an agreed price for such property. The fair value of property awarded in lieu of claims is not to exceed the amount authorized to be paid on the claim (sec. 104 (b)).

In order to insure that the money paid out contributes to the rehabilitation of the Philippines, it is provided that the Commission shall require that lost or damaged property be rebuilt, replaced, or repaired before payments of money are made, unless it determines that it is impractical to rebuild, or is impossible for any reason beyond the control of the claimant. But in those cases, as a condition to making payment, the Commission is to require that the whole of such payment shall be reinvested in such manner as will further the rehabilitation and economic development of the Philippines.

Specific authority is granted to make partial payments as rebuilding, replacing, or repairing of property progresses (sec. 104 (e)).

*Filing of claims.*—The Commission is required to give public notice of the time when, and the time within which claims are to be filed (sec. 101 (c)). Claims must be filed with the Commission in conformity with this title and with such regulations as the Commission may establish. No payment is to be made on a claim unless it has been filed within 12 months after the date on which public notice for filing has been given.

*Procedure for settlement and review of claims.*—The Commission is required to notify all claimants of the approval or denial of their claims, including the amounts for which the claims are approved. In the event a claim is denied, or is approved for less than the full amount allowable, the claimant is entitled to a hearing before the Commission or its representatives. After such a hearing, the Commission may affirm, modify, or reverse its former action or may deny or reduce the amount of a claim previously approved. The Commission's findings are not subject to review by any court (sec. 113).

*Reparations received from Japanese Government for Philippines.*—Money or bullion received as reparations for war damages in the Philippines is to be received into the United States Treasury until its value equals the sum of amounts appropriated under title I (i. e., \$400,000,000) plus the amount necessary for the purposes of title III (\$120,000,000). Any excess is to be used in the order listed: (a) To pay in full the unpaid balances of approved claims; (b) to pay the 25 percent by which claims are to be reduced under section 102 (a); (c) to pay any approved claims of the Commonwealth of the Philippines, its provinces, cities, municipalities, and instrumentalities, not already paid under the act. Any additional excess is to be covered into the United States Treasury (sec. 106 (b) (1) (2) (3)).

Any other property received in reparations from Japan may be transferred to the Commission by Executive order of the President to be applied (a) in kind for the payment of losses or damages or (b) in such other manner as the Commission may determine to be necessary to carry out the purposes and policy of this bill (sec. 106 (c)).

*Relation of War Damage Commission to War Damage Corporation.*—Public Law 506, Seventy-seventh Congress, approved March 27, 1942, authorized the War Damage Corporation to provide reasonable



protection in designated geographical areas, including the Philippine Islands, against loss of or damage to property resulting from enemy attack. At the time of the passage of Public Law 506, the enemy was already in control of portions of Philippine Territory, and Congress empowered the War Damage Corporation to suspend or otherwise limit protection in any area which fell under the control of the enemy. Conditions existing at that time and the subsequent conquest and occupation of the islands by the enemy made it impracticable to provide the authorized protection in that area and the War Damage Corporation subsequently suspended protection of property in the Philippines.

The authority vested in the War Damage Corporation by said Public Law 506 was twofold:

(1) Section 5g (a) of the Reconstruction Finance Corporation Act, as amended, authorized the Corporation to issue policies of insurance; and

(2) Section 5g (b) of the Reconstruction Finance Corporation Act, as amended, authorized the compensation of losses occurring prior to a date determined by the Secretary of Commerce (subsequently fixed as July 1, 1942) even though no policy had been issued by the Corporation. Section 109 of S. 1610 terminates, with one exception, all the authority which the War Damage Corporation possesses with respect to property in the Philippine Islands. It expressly preserves the authority of the War Damage Corporation to issue regular insurance policies. To replace terminated authority of the War Damage Corporation to provide blanket coverage, S. 1610 substitutes the authority of the Philippine War Damage Commission. In keeping with the intent to abrogate the authority of War Damage Corporation (with the exception mentioned), section 109 of S. 1610 expressly prohibits the War Damage Corporation from paying compensation for, or otherwise affording protection against, war damage in the Philippines except pursuant to policies of insurance issued in consideration of a paid premium.

Section 110 is intended to assure uniformity between the War Damage Corporation and the War Damage Commission with respect to the types of property excluded from protection. While the coverage provided in S. 1610 with respect to time and other particulars is broader than that which the War Damage Corporation is now authorized to extend, nevertheless it is intended that the scope of the property coverage authorized by this bill is substantially the same as that which the War Damage Corporation actually provided in accordance with the intent of Congress. The exclusion of the specified categories of property represents no change in philosophy and section 110 merely reaffirms previous congressional intent with respect to property coverage.

*Use of surplus property.*—The bill provides for the use of surplus property both to satisfy claims and to repair, replace and rebuild lost, damaged, or destroyed property. This should reduce the amount of cash expenditures required (although it should be noted that the Commission must pay the disposal agency for the surplus property) and, in many instances, should restore the loss or repair the damage more quickly and satisfactorily than could be done through cash payment. The use of surplus property for payment of claims in kind



is facilitated by authorizing all departments, agencies, and instrumentalities of the United States Government, upon written request of the Commission, to make delivery to designated claimants or to the Commission of any surplus property which the Commission deems comparable to that for which compensation is requested. The Commission is required to pay the fair value to the disposal agency (sec. 111).

As will be pointed out more specifically hereinafter, surplus property located in the Philippines is to be transferred to the Commonwealth of the Philippines and its political subdivisions, to aid in rehabilitation of damaged public properties and facilities, comparable to their condition prior to the war.

*Limitation on legal charges.*—The bill limits the amount which can be charged for legal services rendered a claimant to 5 percent of the total amount of the payment made on the claim.

Anyone who either pays, offers or promises to pay, or one who receives remuneration in excess of 5 percent shall be guilty of a misdemeanor. Upon conviction, he shall be fined not more than \$5,000, or imprisoned for not more than 12 months, or both, and shall forfeit all rights to compensation for war damage, and, if any such payment shall have been made or granted, the Commission is directed to take action to recover it (sec. 108).

*Penalties for making false representations.*—To further insure that the aid provided in this bill will be used for the purposes stated, the bill makes it a punishable offense (1) to make any statement or representation knowing it to be false, or (2) to willfully and fraudulently overvalue loss of or damage to property, either for the purpose of obtaining compensation, or of influencing the action of the Commission with respect to any claim, or of obtaining money, property, or anything of value under title I.

The penalty, upon conviction, is a fine of not more than \$5,000, or imprisonment for not more than 2 years, or both; and the offender shall not receive any payments or other benefits under title 1, and, if any shall have been made or granted, the Commission shall take such action as may be necessary to recover them.

Since the penalties provided for will not be enforceable by the United States after July 4, 1946, it is provided that no payments in excess of \$500 shall be made until it is provided by executive agreement with the President of the Philippines that these offenses and penalties will be written into the law of the Philippines as soon as possible (sec. 601, title VI).

#### TITLE II—DISPOSAL OF SURPLUS PROPERTY

The United States has tremendous quantities of surplus property in the Philippines. That property can be utilized to great advantage in rehabilitation. The costs of maintenance, storage, transportation, the high rate of deterioration and the lack of shipping may make it uneconomical to return much of this property to the United States.

The bill, in recognition of the above, authorizes the Foreign Liquidation Commission to transfer to the Commonwealth of the Philippines, and its political subdivisions, without reimbursement, surplus property located in the Philippines, and declared surplus under the Surplus Property Act of 1944 up to the limit of \$100,000,000 fair value.

The purpose for which such property may be transferred is (1) to aid in repairing and replacing government buildings, works, utilities, equipment, or other property which had been damaged, lost, or destroyed in the war; and (2) to otherwise aid in resumption of normal operations of prewar governmental services.

The Foreign Liquidation Commissioner is required to make a record of the items transferred, the condition of such items and his estimate of their fair value, and also to make quarterly reports to the President and the Congress concerning administration of title II.

The bill also provides that surplus property in the Philippines shall be disposed of in accordance with the provisions of S. 1610 and of the Surplus Property Act of 1944, as amended; shall not be disposed of under any law inconsistent with such laws; and that the Commissioner shall dispose of such surplus property, so far as practicable, in such a manner and in such quantities as will prevent unnecessary distribution costs and excessive profits (sec. 203).

Specific provision is made that no military weapons, munitions, or toxic gas may be transferred or otherwise disposed of under section 201 (sec. 204).

#### TITLE III—RESTORATION OF PUBLIC PROPERTY AND PUBLIC SERVICES

Important as are the payments of money and the transfer of surplus property in the rehabilitation program, dollars and goods cannot provide the management, technical services, and skills needed to rebuild and operate essential governmental functions. To meet this emergency need, programs are authorized in title III for restoration and improvement of public property and essential public services, such as public roads, port and harbor facilities, public property, public health, interisland commerce, health services, fisheries, and coast and geodetic surveys.

Under title II provision is made for the training in the United States of Filipinos who, later, can furnish the skill and know-how for the operation and supervision of each of the above programs. The following training programs are authorized: The Commissioner of Public Roads and the Chief of the Corps of the United States Army Engineers are each to provide training for not to exceed 10 Filipino engineers; the Public Health Service for not more than 100 Filipinos for 1 year; the United States Maritime Commission to train not to exceed 50 Filipinos yearly in the United States Merchant Marine Cadet Corps or at a United States Merchant Marine Academy; the Administrator of Civil Aeronautics to train not exceeding 50 Filipinos each year; the Chief of the Weather Bureau to train not to exceed 50 in the first year not to exceed 25 in each succeeding year; the Fish and Wildlife Service, to provide 1 year of training for not more than 125 Filipinos (at any time prior to July 1), 1950, and the Coast and Geodetic Survey to train not exceeding 20 each year.

Construction and repair of roads and port and harbor facilities is necessary to restore transportation, travel, and commerce. Chartering of ships will help restore the interisland transportation which is so vital. The acquisition, establishment, and maintenance of a system of air-navigation facilities and communication services, and the providing of weather information, warnings, etc., will promote safety in air and water transportation.



Authorizations contained in section 309 will assist in the establishment of a Philippine fishing industry which before the war depended largely upon Japanese know-how.

Section 304 provides for compensation to the Philippine government and its political subdivisions for physical loss or damage to public property pursuant to provisions of section 102 (a). This must be done within the limits of the appropriations allocated for the purpose. The Commission may require that the damaged property be rebuilt, replaced, or repaired before making payments of compensation, and may direct the Federal Works Agency or the Corps of Engineers of the United States Army to undertake such reconstruction.

In connection with the programs under this title it is required that the Philippines shall provide all lands, easements, and rights-of-way necessary for the projects. Agencies of the United States Government concerned are authorized to accept contributions of labor, materials, and money from the Philippine government and its subdivisions for the reconstruction work.

#### TITLE IV—THE UNITED STATES HIGH COMMISSIONER

The exercise of the functions, powers, and duties by any officer, employee, department, or agency of the United States in carrying out the provisions of this act is placed under the general supervision of the United States High Commissioner to the Philippines, until the Philippines attain their independence.

After July 4, the date of independence, his power, authority, duties, and functions under this act shall be exercised by such representative or representatives of the United States as shall be appointed for that purpose by the President of the United States (secs. 401, 402).

#### TITLE V—RESTORATION AND IMPROVEMENT OF THE PROPERTY OF THE UNITED STATES

There is authorized to be appropriated \$5,000,000 for the restoration, repair of damage to, and improvement of lands and buildings owned and to be retained by the United States after independence, and for the acquisition or construction of additional buildings to house the diplomatic and consular establishments and civil agencies of the United States (sec. 501).

High Commissioner McNutt has advised the committee that the following properties will probably be needed to carry on the functions of the United States Government in the Philippines after independence:

For the State Department:

Manila:

Reconstruction of former residence and office building of the United States High Commissioner as the residence for the American Ambassador (only the foundations of the original building can be used)-----	\$750, 000
Furnishings for the Ambassador's residence-----	75, 000
Purchase of additional land for a combined office building for the Embassy and the consulate-----	175, 000
Construction of a combined office building-----	400, 000
Residence for the counselor of the Embassy-----	80, 000
Residence for the secretary of the Embassy-----	50, 000
Staff quarters for Embassy and consulate personnel (30 units)-----	400, 000
Total-----	<u>1, 930, 000</u>



## For the State Department—Continued

## Consulates outside Manila:

Constructing and furnishing consular residences and offices  
at—

Cebu.....	\$95, 000
Iloilo.....	95, 000
Davao.....	95, 000
Zamboango.....	95, 000
Aparri.....	95, 000
Dumaguete.....	95, 000

Total.....	570, 000
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## Summer Embassy at Baguio:

Necessary development of present grounds.....	75, 000
Additional office space and staff quarters.....	150, 000
Furnishings for summer residences (building already restored to original condition).....	25, 000

Total.....	250, 000
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State Departmental total.....	2, 750, 000
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## Veterans' Administration:

Manila: Purchase and reconditioning of office building (negotiations are already under way for a damaged building, which, with reconditioning, will require this amount; initially this building can also house the War Damage Commission provided for by this bill; the anticipated growth of the two agencies would soon render the building inadequate; see next item below).....

1, 200, 000

War Damage Commission: Land for and construction of suitable office building (it is anticipated that this building will be required for some 3 years by the War Damage Commission, thereafter it would be available for other Federal agencies still operating in the Philippines; with conditions in the islands as they are at present, it would be impossible to secure such a building by rental, though purchase and rehabilitation of the building presently standing is possible and preferable; to all practical purposes over-all costs would be the same).....

800, 000

Miscellaneous items within the over-all purpose of the bill.....	250, 000
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Total.....	5, 000, 000
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## TITLE VI—GENERAL PROVISIONS

No payments in excess of \$500 shall be made under title I until an executive agreement, providing for trade relations between the United States and the Philippines, shall have been entered into between the President of the United States and the President of the Philippines, and shall have become effective (sec. 601).

## FUNDS AUTHORIZED TO BE APPROPRIATED

The following sums are authorized to be appropriated:

1. The sum of \$400,000,000 for payments of compensation for war damage to private property as provided in title I.

2. The sum of \$120,000,000, to be allocated from time to time by the President of the United States, as a "manifestation of good will to the Filipino people," for repair and rebuilding of public buildings, public roads, port and harbor facilities, and public-health services (title III).

3. Such additional sums as may be necessary to carry out certain training research and survey programs by United States Government agencies as provided in sections 306 to 311, inclusive (title III).

4. The sum of \$3,000,000 for the restoration and repair of United States Government buildings and structures in the Philippines, including the residence and office of the United States High Commissioner, which will become the Embassy and chancery of the United States (title V).

5. There is also an authorization to transfer to the Philippine Government and other governmental units surplus property of the United States not to exceed \$100,000,000 in fair value.

#### EXPLANATION OF PRINCIPAL AMENDMENTS ADOPTED BY HOUSE COMMITTEE

Your committee has adopted a number of amendments to broaden the coverage, make the bill more workable, and to eliminate inequities.

Many of the amendments merely correct terminology or complete or perfect the evident purpose of the bill. Since it is thought the reasons for them will be apparent, this report will comment only upon those amendments which are not self-explanatory.

Page 4, line 3, after "attack" delete "(including action taken by or at the request of the military, naval, or air forces of the United States in resisting enemy attack);" and insert in lieu thereof—

(2) action taken by or at the request of the military, naval, or air forces of the United States to prevent such property from coming into the possession of the enemy;

*Comment.*—There was much property damaged or destroyed in this manner and for such reason. The amendment makes certain that such property is brought within the protection of the act.

Page 6, line 4, delete "Philippine Republic;" and insert in lieu thereof—

Republic of the Philippines or who, being a citizen of a nation not an enemy of the United States, which nation grants reciprocal war damage payments to American citizens resident in such countries, was, for five years prior to December 7, 1941, a resident of the Philippines;

*Comment.*—Since the purpose of the bill is to rehabilitate the Philippine economy, promptly and completely, it should provide for payments for losses sustained by bona fide residents, as far as possible. Since it hardly seems that the United States should pay damages to nationals of nations which do not provide similar benefits to United States citizens, a qualification to that effect is written into this amendment. For example, unless China provides reciprocal war damages for United States citizens for losses at Shanghai and elsewhere, Chinese nationals in the Philippines could not qualify under this act.

Page 9, delete lines 16 to 24, inclusive and page 10, lines 1 to 11, inclusive.

*Comment.*—It was deemed inadvisable to segregate church properties and place them in a class for special consideration, unless a stated sum of money could be allocated to them which would insure reimbursement for damage at a substantially higher percentage of loss than for other property. Since that cannot be done, the section is stricken and church losses will qualify under section 201.

Page 10, line 25, at the end of the line add a new sentence:

To accomplish the purposes of this section such surplus property of the United States, wherever located, as the President of the United States by Executive order shall direct, shall be transferred to the Commission. The Commission shall pay to the disposal agency the fair value of the property as agreed to by the Commission and the disposal agency.

*Comment.*—This provides an avenue of authority and procedure to use surplus property in kind—when available and adaptable—to satisfy approved claims for property damage. This will be particularly valuable as to watercraft, and may also be as to motor vehicles, machinery, tools, and other items, such as stocks of consumer's goods.

Page 11, line 11, delete the period and insert in lieu thereof a colon, and insert—

*Provided*, That if the Commission determines it is impossible for any reason beyond the control of the claimant, or is impractical to rebuild, replace, or repair the lost or damaged property, the Commission may make payment to the claimant without making said requirement: *Provided, however*, That, as a condition to the making of such payment, the Commission shall require that the whole of such payment shall be reinvested in such manner as will further the rehabilitation or economic development of the Philippines: *And provided further*, That nothing in this subsection shall preclude the partial payment of claims as the rebuilding, replacing, or repairing of the property progresses.

*Comment.*—There are known cases where, because of sickness, or advanced age of prospective claimants, or of their having to return to the United States because their health has become impaired due to internment or natural causes, it would be unjust and unfair to force them to use any damages recovered to restore or replace the property damaged. The first proviso makes the powers of the Commission more flexible so as to do justice in such cases. However, in order that all damages paid shall be used to rehabilitate the Philippine economy, the Commission must require that damages paid be reinvested in such manner as will further such rehabilitation or economic development. This will prevent the collection of damages and diverting them to places and purposes which will not contribute to rebuilding the Philippines.

The purpose of the last proviso is to provide authority to make partial payments as reconstruction or rebuilding progresses, to claimants, who, lacking the necessary funds or credit to rebuild completely, might not be able to replace or rebuild their destroyed or damaged property, if they had to rebuild completely before they could receive any damage money.

Page 12, line 5, delete "\$330,000,000" and insert in lieu thereof "\$400,000,000".

*Comment.*—Proposed amendments to section 110, which increase the coverage of property for which damages are to be paid, such as vessels and watercraft at \$20,000,000; passenger automobiles at \$30,000,000, mining properties at \$44,000,000, and the added coverage to section 110 (1), amount unknown, compel this increase.

Page 12, line 7, delete "\$1,500,000" and insert in lieu thereof "\$4,000,000".

*Comment.*—One percent of the amount of damages to be paid is considered a fair amount for administration of the job. Hence, the increase from \$1,500,000 to \$4,000,000.



Page 12, delete all of lines 20 to 25, inclusive, and page 13, delete all of lines 1 to 11, inclusive, and insert in lieu thereof the following:

(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, the excess over the amounts so appropriated shall be used, first, to satisfy in full the balance unpaid of any approved claims under this title; second, toward the payment of any amount by which any claim was reduced under section 102 (a) hereof; third, toward the satisfaction of any approved claim of the Government of the Commonwealth of the Philippines (or the Republic of the Philippines), its Provinces, cities, municipalities, and instrumentalities, not compensated under this Act; and

(3) the balance shall be covered into the Treasury of the United States.

(c) Notwithstanding any other provision of law, any other property received by the United States from the Japanese Government or the Japanese people, whether by way of reparations or restitution on account of war losses in the Philippines, may be transferred, by Executive order of the President of the United States, to the Commission, to be applied in kind, under such regulations as may be adopted by it, to the payment of losses or damages covered by this Act, or in such other manner as the Commission may determine to be necessary to carry out the purposes and policy of this Act.

(d) Nothing in this Act shall prejudice the right of any claimant not covered by this Act to recover damages from the Japanese Government or the Japanese people, by way of reparations or indemnity on account of the war, for losses not, or not fully, compensated for hereunder.

*Comment.*—The amounts so authorized to be appropriated, or surplus materials to be utilized, under this act are recognized as insufficient to fully rehabilitate the Philippines from losses and damages incurred by the war. It appears that this section 106, as passed by the Senate, was to provide for full rehabilitation, provided sufficient reparations and indemnity could be obtained from the Japanese Government and the Japanese people. However, the wording of the section, as passed by the Senate, appears not to accomplish this purpose. The suggested amendment would provide that the amounts recovered would be utilized, first, to recover to the United States Treasury any amounts advanced for rehabilitation; second, toward the full rehabilitation of business and industry in the Philippines; and, third, to fully cover damages to properties of the government of the Philippines and its various units.

It is believed that the application of reparations, or indemnity, in this order would best serve the purpose of rehabilitation. To assist in this full payment, authority to apply property in kind is suggested in the next succeeding paragraph. Suggestion has been made that this entire section be eliminated for the reason that there may not be reparations available for these purposes. It is not sound to legislate on the premise that there will be none such available. If there are, they should be used as provided in this amendment. If not, no harm has been done. But if there are, and this provision has not been made, it will be too late to protect the Philippine claimants.

Paragraph (b), commencing on page 12, line 10, of the bill, was intended to relate only to money or its equivalent in the form of bullion which may be received by the United States from the Japanese. The new paragraph (c), suggested by this amendment, is intended to make available for payment of war damages suffered in the Philippines, the property received by the United States from the Japanese in the form of reparations or restitution for such war losses. The suggested amendment authorizes the President of the United States to transfer such property to the Commission for the payment in kind on claims approved under this act or in such other manner as

the Commission may determine to be necessary to carry out the purposes and policy of this act. This meets every suggestion to amend this subject matter which has been made.

The act, as passed by the Senate, first, does not permit rehabilitation at replacement values but limits it to cash value at time of loss if lower than replacement values; second, excludes compensation for certain losses enumerated; and, third, does not provide for compensation for certain other types of losses, such as use and occupancy, personal loss of life or personal injuries, etc. The amendment (sub-par. (d) p. 14) merely provides that this act shall not be construed to prevent any claimant from recovering from the Japanese Government or the Japanese people on account of any limitations of this act.

Page 17, line 19, after the word "aircraft" delete the semicolon and insert in lieu thereof a colon, and insert—

*Provided, however,* That such protection, compensation, or consideration shall extend to such of the foregoing items as may have constituted inventories, supplies, or equipment for carrying on a trade or business within the Philippines;

*Comment.*—As written, persons who had conducted a store selling books, furs, jewelry, works of art, films, etc., and who suffered damage would not have a claim for damage, although the butcher, baker, restaurant, and grocery store owner would. Such discrimination is indefensible and their exclusion will not serve the purpose of the act, i. e., to rehabilitate. This amendment still bars recovery by the owners of the articles listed in section 110 (1) but provides recovery where such articles were used in trade and commerce.

Page 18, line 5, after "(c)" delete "vessels propelled by sail;" and insert the following:

watercraft and commercial vessels of Philippine registry and watercraft of Philippine or American ownership, in harbors and territorial and inland waters of the Philippines, and (d) cargoes and equipment on vessels and watercraft described in (a), (b) and (c) above; except as modified by and subject to clauses (1) and (5) of this section.

*Comment.*—This is necessary and vital for the rehabilitation of the transportation facilities of the Philippines where "All transportation by boat between the islands, as well as by rail, bus and truck lines, is nonexistent" (S. Doc. No. 53, p. 2); and where transportation and movement of persons and property from and between the numerous islands of the Philippines is so greatly dependent upon vessels and watercraft. Not to include vessels and watercraft, as set forth in this amendment, will be an unfair and unjust discrimination against the Philippine shipping industry, and vessel and watercraft owners, and will retard greatly the rehabilitation of the Philippine economy. The importance of this coverage is apparent from the fact that the water-borne coastwise and interisland commerce of the Philippines was carried on by means of some 160 steamers, motor vessels and auxiliary schooners, and some 1,500 smaller vessels, such as motor-boats, scows, lighters, and so forth. The harbors and inland waterways of the islands were served by some 1,700 steam launches, motor launches, scows, lighters, barges, cascos, bancas, and sailing vessels. These ranged in size from very small vessels propelled by motor or sail to a few vessels of as much as 4,000 tons dead weight. Practically all of these shipping facilities were destroyed or lost. It is estimated that the cost of rehabilitating these transportation facilities will not exceed \$20,000,000. Much of these craft can be replaced from



surplus craft owned by the United States and determined by the Commission to be suitable for such replacement. No doubt the military services and the Maritime Commission have more than a sufficient number of small craft available for this purpose which otherwise will be disposed of at approximately scrap value or laid up at further expense to the Public Treasury.

It was not the custom or practice of the shipping industry to carry war-risk insurance on vessels and watercraft in the harbors, inland, or Territorial waters, just as it was not the custom to carry it on United States Pacific coastwise shipping. Not one of the 15 or more shipping companies in the Philippines deemed it necessary to carry war-risk insurance, although they all carried full marine insurance. Vessels which were sailing for a foreign port were always covered against war risk, but while within the Territorial waters, shipowners considered that the hazard or risk of loss by war was so small as not to justify protection through war-risk insurance; in fact, the refuge in inland waters was considered as safe as a building or factory. Since the large part of Philippine shipping is a domestic industry, and since ships engaged in interisland shipping perform service of the same character as railroads, trucks, or other forms of public conveyance—in fact, perform a more important role than any other means or system of transportation, the shipowners should not be called upon to exercise a higher degree of prudence than other businessmen engaged in domestic trade. Subsequent to December 7, 1941, war-risk insurance was not available. Prior to December 7, 1941, it was not the practice nor custom to carry it, for the reasons above stated.

It is the purpose either to exclude a vessel or watercraft from coverage or to include it. When excluded, the cargo and equipment are excluded (2). When included, we propose to cover the cargo and equipment. That accounts for exception (d). Since clause (5) of section 110 excludes cargo (referred to as property) in transit, where insured or for which insurance was available, exception (d) is modified to that extent.

Page 18, line 12 and line 13, delete.

*Comment.*—Clause (3) in S. 1610, as passed by the Senate, attempted to include in the coverage standing timber, growing crops, orchards, and real property which is part of a building or structure. Senate Report No. 755, which accompanied S. 1610, on page 17 thereof, wherein is set forth an itemized résumé of the damage to the mines and mining property, is evidence of the intention of the Senate to include this type of damage. Furthermore, mining, and the export of the products therefrom, is a very essential part of the productive economy of the Philippines and its restoration is vital to the rehabilitation of the economy of the islands. For the Philippines must develop their mineral deposits as a basis to trade for manufactured goods. Substantial losses have been suffered, through flooding, blowing up, stripping, as a result of which substantial sums are required to restore them to production. But the language of S. 1610 is indefinite. Since it is desired to cover physical damage to mining property, both underground and surface strip damage—the best method through which to accomplish all the coverage desired is to delete clause (3) of S. 1610 as passed by the Senate.

Page 18, line 15 and line 16, delete.



*Comment.*—The purpose of this amendment is to include passenger-carrying motor vehicles as property for which compensation may be allowed under the act. This amendment is highly desirable since all public transportation facilities have been destroyed, and, of the 50,000 automobiles, only 10 percent are left. Since the Commission has authority and is directed to prescribe such rules and regulations as may be necessary to the administration of the act, it will no doubt limit the values on automobiles to a reasonable amount, probably the Bluebook values. Since provision is made for reimbursing owners of horses and horse-drawn vehicles, it is reasonable to provide similar treatment to owners of private automobiles. The loss is estimated at \$30,000,000.

Page 20, delete all of lines 19 to 25, inclusive, and on page 21, lines 1 to 7, inclusive, and insert the following:

and to aid in repairing and replacing buildings (including hospitals, educational, and charitable institutions furnishing essential health, educational, and welfare services), works, utilities, equipment, or other property, owned by the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, or other governmental units in the Philippines, in cases where such government-owned buildings, works, utilities, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise to aid in facilitating the normal operations of existing governmental units in the Philippines.

*Comment.*—The act, as passed by the Senate, proposes to utilize the disposal of surplus property of the United States in the Philippines to reimburse the Commonwealth of the Philippines for damages and losses incurred by the war.

This section, as passed by the Senate, however, goes beyond such purpose and could only be interpreted as permitting the Philippine government to first, "provide" new buildings, works, utilities, etc., not in existence at the time of the beginning of the war (see old sec. 201 (2)), and second, permits the Philippine government to utilize this surplus property in engaging in private enterprise in competition with existing private industry. (See old sec. 201 (3).)

Old section 201 (2) would permit the Philippine government to create new public utilities to the detriment of existing utilities owned largely by shareholders in the United States, thereby discouraging rehabilitation of these existing utilities and perhaps preventing full rehabilitation, as well as opening up the danger of the confiscation of property now owned by United States citizens.

Old section 201 (3) also creates danger of the Philippine government using the surplus property to engage in publicly or governmentally owned private enterprise in competition with and to the detriment of private business. The taxpayers of the United States should not be called upon to spend their money to create new Philippine-owned utilities or private industries which did not exist prior to the war. The proposed amendment is to avoid these dangers.

Page 22, delete all of lines 17 to 25, inclusive, and on page 23, delete all of lines 1 to 15, inclusive, and insert in lieu thereof the following:

SEC. 203. Surplus property now or hereafter located in the Philippines shall be disposed of only in accordance with the provisions of this Act and the Surplus Property Act of 1944 as heretofore or hereafter amended. Such disposals shall not be subject to the provisions of any law inconsistent herewith. The Commission shall, so far as practicable, dispose of surplus property in the Philippines in such a manner and in such quantities, within the provisions of the Surplus Property Act, as will prevent unnecessary distribution costs and excessive profits.

*Comment.*—This provision avoids the necessity of amending the Surplus Property Act. The provisions of that act were the result of extensive consideration by Congress and the House Committee on Expenditures in the Executive Departments.

Testimony was given before this committee that surplus property disposals in the Philippines in large units have resulted in the formation of syndicates which are reselling the property at what appears to be excessive profits. The committee desires to prevent this and make it possible for the Filipino consumer to purchase this surplus property without having to pay for excessive profits benefiting only private individuals, companies, or syndicates. The impracticability of administering any resale price provisions was recognized. Also, it was deemed inadvisable to set up any system which would put the Government (either the Philippines or the United States) in the retail business. It is believed that the policy stated in the amendment indicates the desires of Congress; also, that the Surplus Property Act, as written, provides a means for carrying out such policy by permitting sales in small enough quantities to avoid the hazard that speculators and profiteers will benefit at expense of the Filipino people.

Page 24, line 10, delete "\$30,000,000" and insert in lieu thereof "\$100,000,000".

*Comment.*—The amount of \$30,000,000 is inadequate and since the surplus property referred to is located in the Philippines and the amount that may be transferred to the Commonwealth of the Philippines and other political subdivisions is a maximum; and since any such surplus not thus transferred may be disposed of by sale, under section 203, there is no good reason why the amount should not be increased. It appears certain that it will all remain there and not be brought back to the United States.

Page 30, line 8, delete "Philippine Islands," and insert "Philippines, notwithstanding the provisions of any existing law,".

*Comment.*—Since, under the Merchant Ship Sales Act, 1946, the Maritime Commission cannot charter ships to citizens of the Philippines after July 4, 1946, this amendment is necessary to show congressional intent to qualify section 5 (a) of that act.

Page 30, line 12, after "vessels", delete "of less than two thousand gross tons" and insert "suitable for operation in the interisland commerce of the Philippines".

*Comment.*—This amendment is suggested for the reason that prior to the war there were at least five vessels of a tonnage greater than 2,000 gross tons operating in inland waters. It is estimated that a minimum of five vessels of larger tonnage will be required in the restoration of the interisland trade.

The substitution suggested will authorize the Maritime Commission to charter larger vessels if they are suitable for operation in interisland commerce.

Page 39, new Title V, Restoration and Improvement of the Property of the United States.

*Comment.*—The purpose of this title is to permit the restoration of properties, belonging to the United States, damaged or destroyed as a result of the war and to provide for the construction of additional buildings for office facilities for the civil agencies assigned to the Philippines and the housing of our diplomatic and consular representatives in the Philippines.



Page 39, new title VI:

SEC. 601. No payments under title I of this Act in excess of \$500 shall be made until an executive agreement shall have been entered into between the President of the United States and the President of the Philippines, and such agreement shall have become effective according to its terms, providing for trade relations between the United States and the Philippines, and which agreement shall also provide for the same offenses, and penalties upon conviction, thereof, as are set forth in section 107 and section 108 of title I of this Act.

SEC. 602. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

*Comment.*—The rehabilitation bill and bill providing for trade relations between the United States and the Philippine Islands are both essentially part of a program necessary to the rehabilitation of the Philippine Islands. Either of the bills without the other would not be adequate.

Section 601, suggested by this amendment, is designed to assure that the requirements of the trade bill, with respect to certain steps to be taken by the Philippine government, shall be taken in order that the provisions of the trade bill and the rehabilitation bill may become effective concurrently.

#### MISCELLANEOUS COMMITTEE FINDINGS

*Penalties for fraud and exploitation.*—Your committee feels strongly that every vigilance should be exercised to punish severely any attempt willfully to defraud the Government under the provisions of this act. It will be noted that the committee recommends increasing the penalties and closes loopholes for possible criminal evasions. Great powers are vested in the Philippine War Damage Commission for the enforcement of these provisions.

*Appeals of war-damage claimants.*—While appeals to courts of law are not permitted under the provisions of this act, it is anticipated that in the actual operation of the act, the three members of the Philippine War Damage Commission will in their discretion eventually sit as a final appellate body in final determination on the rights of the individual claimants who may have protested the original rulings of the Commission. It is also anticipated that the Commission, which has power to make rules and regulations for the discharge of its functions, will make some provision through its own orders for review of its decisions.

It is the consensus of the members of your committee that under ordinary conditions, appeals to courts of law should be provided. However, in a program of this character, where payments of war damages are considered to be a privilege rather than a right, the best public interests will be served by the most expeditious handling and final settlement of the claims filed under the act.

*Contributions by Philippine government.*—It is the recommendation of the Committee that, when possible, contributions of materials and labor by the Commonwealth of the Philippines and its political subdivisions be accepted to further the rehabilitation programs outlined in title III of this act. Such contributions by the Philippines, it is anticipated, might enable the funds authorized to be appropriated for the purposes of the act to cover many additional projects which might not otherwise be practicable.



*Appointment of veterans as trainees.*—It was the expressed hope of the committee that when Filipino veterans, qualified by education, experience, and ability, are available, the Government of the Philippines shall extend to them such preferences for appointment as trainees under the provisions of title III as are extended in the United States to veterans who are citizens of the United States.

*Other legislation.*—While the committee feels it is urgently necessary to provide through this legislation (S.1610) for the rebuilding and restoration of the physical plant of the Philippines, it is generally realized that additional legislation will probably be necessary in the future to augment and supplement the benefits which will be accomplished through S. 1610 and through the legislation providing for future trade relations between the United States and the Philippines.

It is expected that proposals for additional legislation will be made from time to time by the agencies of the United States Government, by the Government of the Philippines, and by the Filipino Rehabilitation Commission to meet needs for legislation as they arise.

For the sake of clarity it is pointed out that it is the intent of your committee that section 101 (b) shall not be interpreted to indicate that the Filipino Rehabilitation Commission shall end its work at any specified period but only when the Congress shall have determined that the necessity for its continued functioning shall have ended.

*No changes in existing law.*—In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, this bill does not "seek to repeal or amend specifically an existing law" (Cannon's sec. 9220; 71st Cong., 3d sess., Record 4259).



79TH CONGRESS  
2D SESSION

**S. 1610**

[Report No. 1921]

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 10, 1945

Referred to the Committee on Insular Affairs

APRIL 9, 1946

Reported with amendments, committed to the Committee of the Whole House  
on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

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**AN ACT**

To provide for the rehabilitation of the Philippine Islands, and  
for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Philippine Rehabili-  
4       tation Act of ~~1945~~ 1946".

5       **TITLE I—COMPENSATION FOR WAR DAMAGE**

6       SEC. 101. (a) There is hereby established a Philippine  
7       War Damage Commission (in this title referred to as the  
8       "Commission"). The Commission shall consist of three  
9       members, to be appointed by the President of the United  
10      States, *by and with the advice and consent of the Senate.*

1 One of the members of the Commission shall be a Filipino.  
2 The members of the Commission shall receive compensa-  
3 tion at the rate of ~~\$10,000~~ \$12,000 a year. The terms  
4 of office of the members of the Commission shall expire at  
5 the time fixed in subsection (d) for winding up the affairs  
6 of the Commission. A vacancy in the membership of the  
7 Commission shall not impair the authority of the remaining  
8 two members of the Commission to exercise all of its func-  
9 tions. Vacancies occurring in the membership of the Com-  
10 mission shall be filled in the same manner as in the case of  
11 the original selection. Members of the Commission shall  
12 receive their necessary traveling and other expenses incurred  
13 in connection with their duties as such members, or a per  
14 diem allowance in lieu thereof, *to be fixed by the Commission*  
15 *without regard to the limitation prescribed in any existing*  
16 *law.*

17 (b) The Commission may, without regard to the civil-  
18 service laws or the Classification Act of 1923, as amended,  
19 appoint and fix the compensation *and allowances* of such  
20 officers, *attorneys*, and employees, and may make such ex-  
21 penditures, as may be necessary to carry out its functions.  
22 Officers and employees of any other department or agency  
23 of the Government may with the consent of the head of such  
24 department or agency, be assigned to assist the Commission  
25 in carrying out its functions. The Commission may, with the



1 consent of the head of any other department or agency of the  
2 Government, utilize the facilities and services of such depart-  
3 ment or agency in carrying out the functions of the Com-  
4 mission.

5 (c) The Commission may prescribe such rules and  
6 regulations as are necessary for carrying out its functions,  
7 and may delegate functions to any member, officer, or em-  
8 ployee of the Commission or of any other department or  
9 agency of the United States or of the Commonwealth of the  
10 Philippines *and shall give public notice of the time when,*  
11 *and the limit of the time within which, claims may be filed,*  
12 *which notice shall be given in such manner as the Commission*  
13 *shall prescribe.*

14 (d) The Commission shall, so far as practicable, give  
15 consideration to, but need not await, or be bound by, the  
16 recommendations of the Filipino Rehabilitation Commission  
17 (created by the Act approved June 29, 1944) with respect  
18 to Philippine war damage. The Commission shall wind up  
19 its affairs not later than two years after the expiration of  
20 the time for filing claims under this title *if possible, but, in no*  
21 *event later than five years from the enactment of this Act.*

22 SEC. 102. (a) The Commission is hereby authorized to  
23 make compensation to the extent hereinafter provided on  
24 account of physical loss *or destruction* of or damage to  
25 property in the ~~Philippine Islands~~ *Philippines* occurring after

1 December 7, 1941 (Philippine time), and before October 1,  
2 1945, as a result of one or more of the following perils: (1)  
3 Enemy attack ~~(including action taken by or at the request of~~  
4 ~~the military, naval, or air forces of the United States in~~  
5 ~~resisting enemy attack)~~; (2) *action taken by or at the request*  
6 *of the military, naval, or air forces of the United States*  
7 *to prevent such property from coming into the possession*  
8 *of the enemy; ~~(2)~~ (3) action taken by enemy representa-*  
9 *tives, civil or military, or by the representatives of any*  
10 *government cooperating with the enemy; ~~(3)~~ (4) action by*  
11 *the armed forces of the United States or other forces cooper-*  
12 *ating with the armed forces of the United States in opposing,*  
13 *resisting or expelling the enemy from the Philippine Islands*  
14 *Philippines; ~~(4)~~ (5) looting, pillage, or other lawlessness*  
15 *or disorder accompanying the collapse of civil authority or*  
16 *incidental to control by enemy forces determined by the Com-*  
17 *mission to have resulted from any of the other perils*  
18 *enumerated in this section or from control by enemy forces:*  
19 *Provided, That such compensation shall be payable only to*  
20 *qualified persons having, on December 7, 1941 (Philippine*  
21 *time), and continuously to and including the time of loss or*  
22 *damage, an insurable interest as owner, mortgagee, lien*  
23 *holder, or pledgee in such property so lost or damaged:*  
24 *Provided further, That any qualified person who acquired*  
25 *any deceased person's interest in any property either (1)*

1 as heir, devisee, legatee, or distributee, or (2) as executor  
 2 or administrator of the estate of any such deceased person  
 3 for the benefit of one or more heirs, devisees, legatees, or  
 4 distributees, all of whom are qualified persons, shall be  
 5 deemed to have had the same interest in such property  
 6 during such deceased person's lifetime that such deceased  
 7 person had: *Provided further*, That no ~~payment or pay-~~  
 8 ~~ments shall be made~~ *claim shall be approved* in an aggre-  
 9 gate amount which exceeds whichever of the following  
 10 amounts, as determined by the Commission, is less: (a) The  
 11 actual cash value, at the time of loss, of property lost or  
 12 destroyed and the amount of the actual damage to other  
 13 property of the claimant which was damaged as a direct  
 14 result of the causes enumerated in this section; (b) the cost  
 15 of repairing or rebuilding such lost or damaged property,  
 16 or replacing the same with other property of like or similar  
 17 quality: *Provided further*, That in case the aggregate  
 18 amount of the claims which would be payable to any one  
 19 claimant under the foregoing provisions exceeds \$500, the  
 20 aggregate amount of the claims ~~payable to~~ *approved in favor*  
 21 *of* such claimant shall be reduced by 25 per centum of the  
 22 excess over \$500.

23 (b) When used in this section, the term "qualified  
 24 person" means—

25 (1) any individual, who on December 7, 1941



1 (Philippine time), and continuously to the time of filing  
2 claim pursuant to this title, was a citizen of the United  
3 States or of the ~~Philippine Commonwealth~~ *Common-*  
4 *wealth of the Philippines* or of the ~~Philippine Republic~~  
5 *Republic of the Philippines* or who, being a citizen of  
6 a nation not an enemy of the United States, which  
7 nation grants reciprocal war damage payments to  
8 American citizens resident in such countries was  
9 for five years prior to December 7, 1941, a resident  
10 of the Philippines;

11 (2) any individual, who at any time subsequent  
12 to September 16, 1940, and prior to August 14, 1945,  
13 served honorably in the armed forces of the United  
14 States or of the ~~Philippine Commonwealth~~ *Common-*  
15 *wealth of the Philippines*, or honorably performed "serv-  
16 ice in the merchant marine" (as defined in the first  
17 section of the Act entitled "An Act to provide reem-  
18 ployment rights for persons who leave their positions  
19 to serve in the merchant marine, and for other purposes",  
20 approved June 23, 1943) ;

21 (3) any church or other religious organization;  
22 and

23 (4) any *unincorporated association, trust, or cor-*  
24 *poration* (or, upon dissolution, its successor if it satisfies  
25 the requirements of this paragraph (4)) organized pur-

1 suant to the laws of any of the several States or of the  
2 United States or of any Territory or possession thereof  
3 (including any *other unincorporated association, trust,*  
4 *corporation, or sociedad anonima* organized pursuant to  
5 the laws in effect in the ~~Philippine Islands~~ *Philippines*  
6 at the time of its organization), but excluding any cor-  
7 poration wholly owned by the Commonwealth of the  
8 Philippines (or the ~~Philippine Republic~~ *Republic of the*  
9 *Philippines*).

10 SEC. 103. The Commission shall make no payment  
11 under the provisions of this title—

12 (a) to any enemy alien;

13 (b) to any person who, by a civil or military court  
14 having jurisdiction, has been found guilty of collaborat-  
15 ing with the enemy, or of any act involving disloyalty  
16 to the United States or the ~~Philippine Commonwealth~~  
17 *Commonwealth of the Philippines*;

18 (c) to any *unincorporated association, trust, corpo-*  
19 *ration, or sociedad anonima* owned or controlled by any  
20 of the persons specified in clauses (a) and (b) of this  
21 section;

22 (d) to compensate for any loss of or damage to  
23 property which, at the time of loss or damage, was in-  
24 sured against any one or more of the perils specified in  
25 section 102 hereof, except to the extent that the loss or

1 damage exceeds the amount of such insurance, whether  
2 or not collectible;

3 (e) to compensate for any loss or damage—

4 (1) for which the War Department or the  
5 Navy Department is authorized to make payment,  
6 or

7 (2) for which compensation or indemnity is  
8 otherwise payable, or has been paid, or is authorized  
9 to be paid, by the ~~Philippine Government~~ *Govern-*  
10 *ment of the Commonwealth of the Philippines (Re-*  
11 *public of the Philippines)*, or by the United States  
12 Government or by their respective departments,  
13 establishments, or agencies,

14 unless the ~~Government~~, *War Department, Navy De-*  
15 *partment, respective* department, establishment, or  
16 agency concerned has declined to pay compensation or  
17 indemnity for such loss or damage;

18 (f) unless the claimant shall file with the Commis-  
19 sion, within ~~nine months~~ after the enactment hereof  
20 *twelve months after the date on which public notice is*  
21 *given as prescribed in section 101 (c) of this title*, a  
22 claim in reasonable conformity with the requirements of  
23 this title and such reasonable regulations as shall be  
24 established by the Commission.

25 SEC. 104. (a) No claim shall be paid unless approved



1 by the Commission or its authorized representatives, and on  
 2 account of each claim so approved the Commission may make  
 3 immediate payment of (1) so much of the approved amount  
 4 of the claim as does not exceed five hundred dollars or one  
 5 thousand Philippine pesos, plus (2) ~~80 per centum~~ of the  
 6 remainder of the approved amount of the claim *such per-*  
 7 *centage, not in excess of 80 per centum of the remainder of*  
 8 *the approved amount of the claim as the Commission shall*  
 9 *make applicable to all approved claims, due consideration*  
 10 *having been given to the total funds available for distribution.*

11 After the time for filing claims has expired, the Commission  
 12 shall determine the amount of money available for the further  
 13 payment of claims. Such funds shall be applied pro rata  
 14 toward the payment of the unpaid balances of the amounts  
 15 authorized to be paid pursuant to section 102 of this title.

16 ~~(b)~~ Of the funds appropriated for the purpose of pay-  
 17 ing compensation under this title, ~~\$5,000,000~~ ~~\$10,000,000~~  
 18 shall be set aside for the payment of claims filed by churches  
 19 and other religious organizations on account of loss of or  
 20 damage to property consisting of churches, parish houses, and  
 21 other property devoted to religious purposes (excluding  
 22 schools, hospitals, and other charitable institutions). Subsec-  
 23 tion ~~(a)~~ of this section shall not be applicable with respect to  
 24 claims filed by churches and other religious organizations with

1 respect to such property; but, after the time for filing claims  
2 has expired, the funds set aside pursuant to this subsection  
3 shall be applied pro rata toward paying such amounts as  
4 are authorized to be paid pursuant to section 102 with respect  
5 to claims filed by churches and other religious organizations  
6 with respect to such property, and shall be applied without  
7 discrimination to the proportional payment of all allowable  
8 claims filed by churches and other religious organizations  
9 with respect to such property. No payments with respect  
10 to such claims shall be made except from the funds set  
11 aside pursuant to this subsection.

12       ~~(e)~~ (b) The Commission may, at its option, make pay-  
13 ment, in whole or in part, of the amount payable in the  
14 case of any claim authorized to be paid under this title by  
15 rebuilding or repairing lost or damaged property, or re-  
16 placing ~~it~~ *lost, damaged, or destroyed property* with other  
17 property of like or similar kind. The amount expended for  
18 such purpose in any case, including the fair value of property  
19 transferred to the claimant, shall be deemed to have been  
20 paid to the claimant on account of his claim, and such amount  
21 shall in no case exceed the amount authorized to be paid  
22 under this title on account of such claim. The Commission is  
23 authorized to acquire such property, to have such work done,  
24 to make such contracts, and to take such other action as may  
25 be necessary for the purposes of this subsection. *To accom-*

1 *plish the purposes of this section such surplus property of the*  
2 *United States, wherever located, as the President of the United*  
3 *States by Executive order shall direct, shall be transferred to*  
4 *the Commission. The Commission shall pay to the disposal*  
5 *agency the fair value of the property as agreed to by the*  
6 *Commission and the disposal agency.*

7 ~~(d)~~ (c) All of the provisions of this title shall be subject  
8 to the requirement that, to the fullest extent practicable,  
9 the Commission shall require that the lost or damaged  
10 property be rebuilt, replaced, or repaired before payments  
11 of money are actually made to claimants under this title: *Pro-*  
12 *vided, That if the Commission determines it is impossible for*  
13 *any reason beyond the control of the claimant, or is imprac-*  
14 *tical to rebuild, replace, or repair the lost or damaged prop-*  
15 *erty, the Commission may make payment to the claimant with-*  
16 *out making said requirement: Provided, however, That, as*  
17 *a condition to the making of such payment, the Commission*  
18 *shall require that the whole of such payment shall be*  
19 *reinvested in such manner as will further the rehabilitation*  
20 *or economic development of the Philippines: And provided*  
21 *further, That nothing in this subsection shall preclude the par-*  
22 *tial payment of claims as the rebuilding, replacing, or repair-*  
23 *ing of the property progresses.*

24 SEC. 105. Not later than six months after its organiza-  
25 tion, and every six months thereafter, the Commission shall



1 make a report to the Congress concerning operations under  
2 this title.

3 SEC. 106. (a) There is hereby authorized to be ap-  
4 propriated, out of any money in the Treasury not otherwise  
5 appropriated, the amount of ~~\$330,000,000~~ \$400,000,000 for  
6 the purposes of paying compensation to the extent authorized  
7 by this title, and of such sum, not to exceed \$1,500,000  
8 \$4,000,000 shall be available to pay the expenses of the  
9 Commission.

10 (b) Any ~~sums~~ money or bullion received by the United  
11 States from the Japanese Government or the Japanese  
12 people by way of reparations or indemnity on account of the  
13 war losses in the Philippines—

14 (1) shall be covered into the Treasury of the  
15 United States until the ~~sums~~ value of said money or bul-  
16 lion so covered into the Treasury are is equal to the sum  
17 of the amounts appropriated for the payment of com-  
18 pensation under this title and the amounts appropriated  
19 for carrying out the purposes of title III of this Act;

20 ~~(2)~~ when the amounts covered into the Treasury  
21 under clause ~~(1)~~ are equal to the amounts so appro-  
22 priated, one-half of any further sums so received by the  
23 United States from the Japanese shall be covered into  
24 the Treasury of the United States and the other one-half  
25 shall be paid to the Government of the Commonwealth

1 of the Philippines (or the Philippine Republic) until  
2 the amount so paid to such government plus the amounts  
3 appropriated for the payment of compensation under  
4 this title and the amount appropriated for carrying out  
5 the purposes of title III are equal to the amount esti-  
6 mated by the Commission to represent the total loss of  
7 and damage to real and tangible personal property in the  
8 Philippine Islands from the causes enumerated in section  
9 102 (a); and

10 ~~(3)~~ thereafter shall be covered into the Treasury  
11 of the United States.

12 *(2) when the amounts covered into the Treasury*  
13 *under clause (1) are equal to the amounts so appropriated,*  
14 *the excess over the amounts so appropriated shall be used,*  
15 *first, to satisfy in full the balance unpaid of any approved*  
16 *claims under this title; second, toward the payment of any*  
17 *amount by which any claim was reduced under Section*  
18 *102 (a) hereof; third, toward the satisfaction of any*  
19 *approved claim of the Government of the Commonwealth*  
20 *of the Philippines (or the Republic of the Philippines),*  
21 *its provinces, cities, municipalities, and instrumentalities,*  
22 *not compensated under this Act; and*

23 *(3) the balance shall be covered into the Treasury*  
24 *of the United States.*

25 *(c) Notwithstanding any other provision of law, any*

1 other property received by the United States from the Japa-  
2 nese Government or the Japanese people, whether by way of  
3 reparations or restitution on account of war losses in the  
4 Philippines, may be transferred, by Executive order of the  
5 President of the United States, to the Commission, to be  
6 applied in kind, under such regulations as may be adopted  
7 by it, to the payment of losses or damages covered by this  
8 Act, or in such other manner as the Commission may deter-  
9 mine to be necessary to carry out the purposes and policy  
10 of this Act.

11 (d) Nothing in this Act shall prejudice the right of any  
12 claimant not covered by this Act to recover damages from  
13 the Japanese Government or the Japanese people, by way of  
14 reparations or indemnity on account of the war, for losses  
15 not, or not fully, compensated for hereunder.

16 SEC. 107. Whoever, in the ~~Philippine Islands~~ Philip-  
17 pines or elsewhere, makes any statement or representation  
18 knowing it to be false or whoever willfully and fraudulently  
19 overvalues loss of or damage to property, for the purpose  
20 of obtaining for himself or for any claimant any compensa-  
21 tion pursuant to this title, or for the purpose of influencing  
22 in any way the action of the Commission with respect to any  
23 claim for compensation pursuant to this title, or for the  
24 purpose of obtaining money, property, or anything of value  
25 under this title, shall, upon conviction, be punished by a



1 fine of not more than \$5,000 or by imprisonment for not  
2 more than two years, or both, *and shall not receive any*  
3 *payments or other benefits under this title and, if any pay-*  
4 *ment or benefit shall have been made or granted, the Com-*  
5 *mission shall take such action as may be necessary to recover*  
6 *the same.*

7       SEC. 108. No remuneration on account of services ren-  
8 dered or to be rendered to or on behalf of any claimant in  
9 connection with any claim for compensation pursuant to this  
10 title shall exceed 5 per centum of the compensation paid by  
11 the Commission on account of such claim. Any agreement  
12 to the contrary shall be unlawful and void. ~~Whoever, in~~  
13 ~~the Philippine Islands or elsewhere, receives on account of~~  
14 ~~services rendered or to be rendered in connection with any~~  
15 ~~claims for compensation hereunder, any remuneration in~~  
16 ~~excess of the maximum permitted by this section shall be~~  
17 ~~deemed guilty of a misdemeanor and, upon conviction~~  
18 ~~thereof, shall be fined not more than \$1,000 or imprisoned~~  
19 ~~for not more than six months, or both.~~ *Whoever, in the*  
20 *Philippines or elsewhere, pays or offers to pay, or*  
21 *promises to pay, or receives, on account of services rendered*  
22 *or to be rendered in connection with any claim for com-*  
23 *ensation hereunder, any remuneration in excess of the*  
24 *maximum permitted by this section, shall be deemed guilty*  
25 *of a misdemeanor and, upon conviction thereof shall be fined*

1 *not more than \$5,000, or imprisoned for not more than*  
2 *twelve months or both, and, if any such payment or benefit*  
3 *shall have been made or granted, the Commission shall take*  
4 *such action as may be necessary to recover the same, and,*  
5 *in addition thereto, any such claimant shall forfeit all rights*  
6 *under this title.*

7       SEC. 109. Except as lawfully provided in policies of in-  
8 surance heretofore or hereafter issued by the War Damage  
9 Corporation pursuant to subsection (a) of section 5g of the  
10 Reconstruction Finance Corporation Act, as amended, the  
11 authority herein granted to the Philippine War Damage  
12 Commission shall be in lieu of and shall supersede all author-  
13 ity previously conferred on the War Damage Corporation  
14 to furnish protection or pay compensation with respect to  
15 property situated, at the time of loss or damage, in the  
16 ~~Philippine Islands~~ *Philippines*, and the protection authorized  
17 to be extended and the compensation authorized to be paid  
18 by the Philippine War Damage Commission shall be in lieu  
19 of all protection heretofore extended or authorized to be  
20 extended by the War Damage Corporation with respect to  
21 property situated, at the time of loss or damage, in the  
22 ~~Philippine Islands~~ *Philippines*, except to the extent provided  
23 in policies of insurance heretofore or hereafter issued by the  
24 War Damage Corporation. The War Damage Corporation  
25 is hereby prohibited from providing for or paying compen-

1 sation for war damage in the ~~Philippine Islands~~ *Philippines*  
 2 except to the extent provided in its policies of insurance  
 3 heretofore or hereafter issued in consideration of a premium  
 4 paid therefor.

5 SEC. 110. The classes of property enumerated in this  
 6 section, whether situated in the ~~Philippine Islands~~ *Philip-*  
 7 *pines* or elsewhere, are hereby excluded from protection,  
 8 compensation, or consideration under this title, and the  
 9 Commission shall not make any payment, directly or indi-  
 10 rectly, on account of loss of or damage to such classes of  
 11 property:

12 (1) Accounts, bills, records, films, plans, drawings,  
 13 formulas, currency, deeds, evidences of debt, securities,  
 14 money, bullion, furs, jewelry, stamps, precious and semi-  
 15 precious stones, works of art, antiques, stamp and coin col-  
 16 lections, manuscripts, books and printed publications more  
 17 than fifty years old, models, curiosities, objects of historical  
 18 or scientific interest, and pleasure *watercraft and pleasure*  
 19 *aircraft: Provided, however, That such protection, compen-*  
 20 *sation, or consideration shall extend to such of the foregoing*  
 21 *items as may have constituted inventories, supplies or equip-*  
 22 *ment for carrying on a trade or business within the Philip-*  
 23 *pines;*

24 (2) Vessels and watercraft, their cargoes and equip-



1 ment, except (a) vessels used or intended to be used exclu-  
 2 sively for storage, housing, manufacturing, or generating  
 3 power, (b) vessels while under construction until delivery  
 4 by the builder, or sailing on delivery or trial trip, whichever  
 5 shall first occur, and (c) ~~vessels propelled by sail~~ *watercraft*  
 6 *and commercial vessels of Philippine registry and watercraft*  
 7 *of Philippine or American ownership, in harbors and terri-*  
 8 *torial and inland waters of the Philippines, and (d) cargoes*  
 9 *and equipment on vessels and watercraft described in (a),*  
 10 *(b) and (c) above; except as modified by and subject to*  
 11 *clauses (1) and (5) of this section;*

12 ~~(3) Real property (other than standing timber, grow-~~  
 13 ~~ing crops, and orchards) not a part of a building or structure;~~

14 ~~(4) (3) Intangible property;~~

15 ~~(5) Passenger-carrying motor vehicles except those used~~  
 16 ~~principally for commercial purposes;~~

17 ~~(6) (4) Property diverted to the Philippines, by~~  
 18 ~~authority of the United States Government or otherwise, as~~  
 19 ~~a result of war conditions; and~~

20 ~~(7) (5) Property in transit (a) which at the time of~~  
 21 ~~loss or damage was insured against war perils, or (b) with~~  
 22 ~~respect to which insurance against such perils was available,~~  
 23 ~~at the time of loss or damage either at reasonable commer-~~  
 24 ~~cial rates or from the United States Maritime Commission.~~

25 SEC. 111. All departments, commissions, offices, agen-

1 cies, and instrumentalities of the United States Government,  
2 upon the written request of the Commission, are authorized  
3 to make delivery and conveyance to designated claimants,  
4 or to the Commission, of any surplus property of the United  
5 States in the ~~Philippine Islands~~ *Philippines* deemed by the  
6 Commission to be similar to that for which compensation is  
7 requested, or to be suitable for the rebuilding or repair of the  
8 property damaged or destroyed. The transfer of such prop-  
9 erty to such claimants shall be at the fair value of the property  
10 as ~~fixed~~ *agreed* by *the Commission and* the disposal agency.  
11 The Commission shall pay such fair value to the disposal  
12 agency.

13 SEC. 112. The War Damage Corporation is authorized  
14 and directed to consult with, and in every manner possible to  
15 assist and cooperate with, the Commission, to aid the Com-  
16 mission in its performance of duties hereunder, and to make  
17 available to or deliver to the Commission all records, claims,  
18 files, and other documents in its possession pertaining to  
19 Philippine claims. The Commission is authorized to give  
20 such weight as it may deem proper to any reports, certifi-  
21 cates, or recommendations of the War Damage Corpora-  
22 tion, or its adjusters or claims service offices.

23 SEC. 113. The Commission shall notify all claimants of  
24 the approval or denial of their claims, and, if approved, shall  
25 notify such claimants of the amount for which such claims

1 are approved. Any claimant whose claim is denied, or is  
2 approved for less than the full allowable amount of said  
3 claim, shall be entitled, under such regulations as the Com-  
4 mission may prescribe, to a hearing before the Commission  
5 or its representatives with respect to such claim. Upon  
6 such hearing, the Commission may affirm, modify, or re-  
7 verse its former action with respect to such claim, including  
8 a denial or reduction in the amount of a claim theretofore  
9 approved. All findings of the Commission concerning the  
10 amount of loss or damage sustained, the cause of such loss  
11 or damage, the persons to whom compensation pursuant  
12 to this title is payable, and the value of the property lost  
13 or damaged, shall be conclusive and shall not be reviewable  
14 by any court.

## 15 TITLE II—DISPOSAL OF SURPLUS PROPERTY

16 SEC. 201. In order to expedite the disposition of sur-  
17 plus property of the United States in the Philippine Islands  
18 and to aid in *Philippines*—

19 ~~(1)~~ repairing and replacing buildings, equipment,  
20 and other property of the Commonwealth of the Philip-  
21 pines and other governmental units in the Philippines, in  
22 cases where such buildings, equipment, or other property  
23 have been damaged, lost, or destroyed in the war, and  
24 otherwise restoring and facilitating the normal operations  
25 of governmental units in the Philippines;



1           ~~(2)~~ restoring and providing essential public build-  
 2           ings, services, works, and utilities, including hospitals,  
 3           schools, and other institutions furnishing essential health  
 4           and welfare services, in the Philippines; and

5           ~~(3)~~ rehabilitating the economy of the Philippines  
 6           and aiding and encouraging private enterprise in such  
 7           economy;

8           *and to aid in repairing and replacing buildings (including*  
 9           *hospitals, educational, and charitable institutions furnishing*  
 10          *essential health, educational, and welfare services), works,*  
 11          *utilities, equipment, or other property, owned by the Com-*  
 12          *monwealth of the Philippines, provincial governments, char-*  
 13          *tered cities or municipalities, or other governmental units in*  
 14          *the Philippines, in cases where such government-owned build-*  
 15          *ings, works, utilities, equipment, or other property have been*  
 16          *damaged, lost, or destroyed in the war, and otherwise to*  
 17          *aid in facilitating the normal operations of existing gov-*  
 18          *ernmental units in the Philippines, The Department of*  
 19          State, the disposal agency for the Philippines designated  
 20          under the Surplus Property Act of 1944, acting through the  
 21          Foreign Liquidation Commissioner (hereinafter referred to  
 22          as the "Commissioner"), is hereby authorized, ~~notwithstand-~~  
 23          ~~ing any other provision of law,~~ to transfer to the Common-  
 24          wealth of the Philippines, *provincial governments, chartered*

1 cities or municipalities, without reimbursement, property of  
2 the United States now or hereafter located in the Philippine  
3 Islands *Philippines* and declared surplus under the Surplus  
4 Property Act of 1944, upon such terms and conditions, in-  
5 cluding the use or disposition of such property by the Com-  
6 monwealth of the Philippines, as the Commissioner may deem  
7 appropriate to carry out the purposes of this title.

8 SEC. 202. At the time any such property is so trans-  
9 ferred to the Commonwealth of the Philippines (*Republic*  
10 *of the Philippines*), the Commissioner shall make a record  
11 of (1) the items transferred, (2) the condition of such items,  
12 and (3) his estimate of the fair value of such items. The  
13 Department of State shall furnish a copy of such record to  
14 the Surplus Property Administrator, and shall also Com-  
15 missioner shall make quarterly reports to the President and  
16 the Congress concerning the administration of this title.

17 SEC. 203. Any surplus property now or hereafter lo-  
18 cated in the Philippines which is not transferred to the  
19 Commonwealth of the Philippines, under section 201, may  
20 be disposed of by the Commissioner by sale, upon such terms  
21 and conditions as the Commissioner determines to be best  
22 suited for achieving the purposes stated in section 201,  
23 and without regard to other provisions of law relating  
24 to the sale or disposition of property of the United  
25 States. Any such sale may be made for a consideration

1 greater or less than the fair value of the property con-  
2 cerned. In making such sale, the Commissioner may accept  
3 pesos as consideration. Any such surplus property which has  
4 not been disposed of by the Commissioner may be requis-  
5 itioned by any other department or agency of the United  
6 States for its own use; and, upon the receipt of any such requi-  
7 sition, the Commissioner shall transfer such property to the  
8 requisitioning department or agency upon reimbursement of  
9 the fair value thereof. The proceeds derived from any dis-  
10 posal of surplus property by the Commissioner under this title  
11 shall be covered into the Treasury of the United States. If  
12 the consideration upon any disposal of property by the Com-  
13 missioner be other property, such other property may be  
14 disposed of by the Commissioner in the same manner as  
15 surplus property located in the Philippines. *Surplus prop-*  
16 *erty now or hereafter located in the Philippines shall be*  
17 *disposed of only in accordance with the provisions of this*  
18 *Act and the Surplus Property Act of 1944 as heretofore or*  
19 *hereafter amended. Such disposals shall not be subject to the*  
20 *provisions of any law inconsistent herewith. The Commis-*  
21 *sion shall, so far as practicable, dispose of surplus property*  
22 *in the Philippines in such a manner and in such quantities,*  
23 *within the provisions of the Surplus Property Act, as will*  
24 *prevent unnecessary distribution costs and excessive profits.*

25 SEC. 204. No military weapons, munitions, or toxic



1 gas shall be transferred or otherwise disposed of under this  
2 title section 201.

3 SEC. 205. The Commissioner is authorized to appoint  
4 an advisory committee to advise him upon the action to be  
5 taken by him under this title.

6 SEC. 206 205. The fair value of the property transferred  
7 to the Commonwealth of the Philippines (*Republic of the*  
8 *Philippines*) provincial governments, chartered cities or  
9 municipalities under this title under section 201, as estimated  
10 by the Commissioner, shall not exceed \$30,000,000 \$100,-  
11 000,000 in the aggregate.

12 SEC. 207 206. The Commissioner may prescribe such  
13 rules and regulations as may be necessary for the performance  
14 of his functions under this title, and may delegate and au-  
15 thorize successive redelegations of any authority conferred  
16 upon him by this title to any officer or employee of his  
17 agency or of any other department or agency of the United  
18 States or of the Commonwealth of the Philippines (*Republic*  
19 *of the Philippines*).

20 TITLE III—RESTORATION AND IMPROVEMENT  
21 OF PUBLIC PROPERTY AND ESSENTIAL  
22 PUBLIC SERVICES

23 SEC. 301. As a manifestation of good will to the Filipino  
24 people, there are hereby authorized to be appropriated, out  
25 of any money in the Treasury not otherwise appropriated,

1 (1) the sum of \$120,000,000, to be allocated from time to  
2 time by the President of the United States among the  
3 various programs set forth in sections 302, 303, 304, and  
4 305, and (2) such additional sums as may be necessary to  
5 carry out the purposes of sections 306 to 311, inclusive.

6 PUBLIC ROADS

7 SEC. 302. (a) As recommended in a report based upon  
8 an investigation made in the ~~Philippine Islands~~ *Philippines*  
9 by the Public Roads Administration of the Federal Works  
10 Agency and to the extent that the findings in such report are  
11 approved by the President, the Public Roads Administra-  
12 tion is authorized, *after consultation with the Philippine*  
13 *Government*, to plan, design, restore, and build, in accord-  
14 ance with its usual contract procedures, such roads, essential  
15 streets, and bridges as may be necessary from the stand-  
16 point of the national defense and economic rehabilitation  
17 and development of the ~~Philippine Islands~~ *Philippines*.

18 (b) The Commissioner of Public Roads is authorized,  
19 under such regulations as he may adopt, to provide train-  
20 ing for not to exceed ten Filipino engineers, to be desig-  
21 nated by the President of the ~~Philippine Islands~~ *Philippines*  
22 from the regularly employed staff of the Philippine Public  
23 Works Department subject to the provisions of section 311

24 (c), in the construction, maintenance, and highway traffic  
25 engineering and control necessary for the continued mainte-

1 nance and for the efficient and safe operation of highway  
2 transport facilities.

3 PORT AND HARBOR FACILITIES

4 SEC. 303. (a) As recommended in a report based upon  
5 an investigation made in the ~~Philippine Islands~~ *Philippines*  
6 by the Corps of Engineers of the United States Army and  
7 to the extent that the findings in such report are approved by  
8 the President, the Corps of Engineers is authorized, *after*  
9 *consultation with the Philippine Government*, to carry  
10 out a program for the rehabilitation, improvement, and  
11 construction of port and harbor facilities in the ~~Philippine~~  
12 ~~Islands~~ *Philippines*, such work to be done by contract, insofar  
13 as practicable, under the direction of the Secretary of War and  
14 the supervision of the Chief of Engineers, and in accordance  
15 with established procedures applicable to river and harbor  
16 projects.

17 (b) The Chief of Engineers of the Army is authorized,  
18 under such regulations as he may adopt, to provide training  
19 for not to exceed ten Filipino engineers, to be designated  
20 by the President of the ~~Philippine Islands~~ *Philippines* from  
21 among the engineer officers of the Philippine Army and the  
22 regularly employed staff of the Philippine Public Works De-  
23 partment subject to the provisions of section 311 (c), in the  
24 construction, improvement, and maintenance of port facilities  
25 and other works of improvements on rivers and harbors.



## PUBLIC PROPERTY

SEC. 304. The Philippine War Damage Commission, within the limits of the appropriations allocated to it for carrying out the provisions of this section, is authorized to compensate the Commonwealth of the Philippines (or the ~~Philippine Republic~~ *Republic of the Philippines*), the provincial governments, chartered cities, municipalities, and corporations wholly owned by the Commonwealth of the Philippines (or the ~~Philippine Republic~~ *Republic of the Philippines*), in the ~~Philippine Islands~~ *Philippines*, for physical loss of or damage to public property in the ~~Philippine Islands~~ *Philippines* occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of the perils listed in section 102 (a) hereof, in any case in which compensation for such losses or the rebuilding, repair, or replacement of the lost or damaged property is not provided for by the transfer of surplus property under section 201 hereof, or provided for under the provisions of this title other than this section or otherwise provided for by the United States Government or any department or agency thereof. To the fullest extent practicable, the Commission shall require that any lost or damaged property for which it decides to award compensation under this section shall be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this

1 section. The Commission in its discretion may request the  
2 Federal Works Agency or the Corps of Engineers of the  
3 United States Army to undertake, *after consultation with the*  
4 *Philippine Government*, the rebuilding, repair, or replacement  
5 of property for which the Commission awards compensation  
6 under this section, and, from the funds available for carrying  
7 out the provisions of this section, may transfer to such Agency  
8 or Corps of Engineers the funds necessary to pay for the  
9 work requested. The Federal Works Agency and the Corps  
10 of Engineers are authorized to rebuild, repair, or replace  
11 property in accordance with any such request of the Com-  
12 mission and to expend the funds so transferred to them for  
13 such purpose. The Commission shall have full power to  
14 select, and fix the priority of, cases in which compensation  
15 will be awarded or property rebuilt, repaired, or replaced  
16 under this section, and to determine the amount of such  
17 compensation and the extent to which such property will  
18 be rebuilt, repaired, or replaced, taking into account the  
19 relative importance of various projects to the reconstruction  
20 and ~~reconversion~~ *rehabilitation* of the economy of the Philip-  
21 ~~pine Islands~~ *Philippines* and such other factors as the Com-  
22 mission deems relevant.

23

## PUBLIC HEALTH

24

SEC. 305. (a) The Public Health Service of the Federal  
25 Security Agency is authorized to cooperate with the Govern-

1 ment of the ~~Philippine Islands~~ *Philippines* (*Republic of the*  
2 *Philippines*), and with other appropriate agencies or organi-  
3 zations, in the rehabilitation and development of public health  
4 services and facilities throughout the ~~Philippine Islands~~  
5 *Philippines*.

6 (b) To accomplish such purposes the Public Health  
7 Service shall at the earliest practicable time survey the  
8 health situation in the ~~Philippine Islands~~ *Philippines*, and  
9 is authorized to replace, expand, or install such health serv-  
10 ices and facilities in the ~~Philippine Islands~~ *Philippines*, as are  
11 deemed essential to preservation of health, and may assist in  
12 the rehabilitation and development of a Philippine quarantine  
13 service for prevention of introduction of disease from abroad  
14 or from one island to another. The Public Health Service  
15 may set up demonstrations and establish training centers in  
16 the ~~Philippine Islands~~ *Philippines*; may establish and main-  
17 tain in the ~~Philippine Islands~~ *Philippines* a school or schools  
18 for the purpose of providing practical instruction in public  
19 health; and may, at any time prior to January 1, 1948, pro-  
20 vide one year of training in appropriate schools or colleges  
21 in the United States to not more than one hundred Filipinos,  
22 to be designated by the President of the ~~Philippine Islands~~  
23 *Philippines* subject to the provisions of section 311 (c), in  
24 public health methods and administration. It may replace  
25 equipment and supply reasonably necessary additional equip-



1 ment, utilizing for this purpose, so far as possible, surplus  
 2 property, and may recommend to the Commission the repair  
 3 or construction under the provisions of section 304, at any  
 4 time prior to July 1, 1950, of buildings deemed essential to  
 5 the rehabilitation of public health and quarantine functions.

#### 6 INTER-ISLAND COMMERCE

7 SEC. 306. (a) In order to restore and improve inter-  
 8 island commerce in the ~~Philippine Islands~~ *Philippines*,  
 9 *notwithstanding the provisions of any existing law*, the  
 10 United States Maritime Commission is authorized to charter  
 11 under such terms and conditions (including nominal rates of  
 12 charter hire) vessels ~~of less than two thousand gross tons~~ *suit-*  
 13 *able for operation in the inter-island commerce of the Philip-*  
 14 *pines* to individuals, corporations, or cooperatives or other  
 15 forms of business organizations in the ~~Philippine Islands~~ *Phil-*  
 16 *ippines* if the Commission determines that they possess the  
 17 ability, experience, financial resources, and other qualifica-  
 18 tions, necessary to enable them to operate and maintain the  
 19 vessel in the inter-island commerce in the ~~Philippine Islands~~  
 20 *Philippines*: *Provided*, That any charter entered into under  
 21 the authority of this section shall contain a provision re-  
 22 quiring that the vessel shall be operated only in the inter-  
 23 island commerce in the ~~Philippine Islands~~ *Philippines*.

24 (b) The Chairman, United States Maritime Commis-  
 25 sion, is hereby authorized to permit not exceeding fifty

1 Filipinos each year, to be designated by the President of  
2 the ~~Philippine Islands~~ *Philippines* subject to the provisions  
3 of section 311 (c), to receive instruction in the United  
4 States Merchant Marine Cadet Corps and at ~~the~~ *a* United  
5 States Merchant Marine Academy ~~at Kings Point, New~~  
6 ~~York~~. The persons receiving instruction under authority  
7 of this section shall receive the same pay, allowances, and  
8 emoluments, to be paid from the same appropriations, and,  
9 subject to such exceptions as may be determined by the  
10 Chairman, United States Maritime Commission, shall be sub-  
11 ject to the same rules and regulations governing admission,  
12 attendance, discipline, resignation, discharge, dismissal, and  
13 graduation, as cadet midshipmen at the Merchant Marine  
14 Academy appointed from the United States; but such per-  
15 sons shall not be entitled to appointment to any office or  
16 position in the United States merchant marine by reason of  
17 their graduation from the Merchant Marine Academy.

18 SEC. 307. (a) The Administrator of Civil Aeronautics  
19 of the Department of Commerce is authorized to acquire,  
20 establish, operate, and to maintain a system of air-navigation  
21 facilities and associated airways communications services in  
22 the ~~Philippine Islands~~ *Philippines* for inter-island airways  
23 operation and to connect the Philippine airways with inter-  
24 national and interoceanic routes.

25 (b) The Administrator of Civil Aeronautics is author-

1 ized, under such regulations as he may adopt, to train not  
2 exceeding fifty Filipinos each year, to be designated by the  
3 President of the ~~Philippine Islands~~ *Philippines* subject to  
4 the provisions of section 311 (c), in air-traffic control, air-  
5 craft communications, maintenance of air-navigation facil-  
6 ities, and such other airman functions as are deemed  
7 necessary for the maintenance and operation of aids to air  
8 navigation and other services essential to the orderly and  
9 safe operation of air traffic.

10

## WEATHER INFORMATION

11 SEC. 308. (a) The Chief of the Weather Bureau of the  
12 Department of Commerce is authorized to establish meteoro-  
13 logical facilities in the ~~Philippine Islands~~ *Philippines* as may  
14 be required to provide weather information, warnings, and  
15 forecasts for general agricultural and commercial activities,  
16 including meteorological service for the air routes on which  
17 air-navigation facilities are operated by the Civil Aeronautics  
18 Administration, and to maintain such meteorological offices  
19 until the Philippine Weather Bureau is reestablished and in  
20 position to assume responsibility for the service.

21 (b) The Chief of the Weather Bureau of the Depart-  
22 ment of Commerce is authorized, under such regulations as  
23 he may adopt, to train not to exceed fifty Filipinos in the  
24 first year and not to exceed twenty-five Filipinos in each  
25 succeeding year, the trainees to be designated by the Presi-



1 dent of the ~~Philippine Islands~~ *Philippines* subject to the  
2 provisions of section 311 (c), and the training to include  
3 meteorological observations, analyses, forecasting, briefing of  
4 pilots, and such other meteorological duties as are deemed  
5 necessary in maintenance of general weather service, includ-  
6 ing weather information required for air navigation and the  
7 safe operation of air traffic. The training of these employees  
8 shall be in addition *to* and not in lieu of Weather Bureau  
9 employees to be trained under current Weather Bureau  
10 appropriations.

11 PHILIPPINE FISHERIES

12 SEC. 309. (a) The Fish and Wildlife Service of the  
13 Department of the Interior is authorized to cooperate with  
14 the Government of the ~~Philippine Islands~~ *Philippines*, and  
15 with other appropriate agencies or organizations, in the  
16 rehabilitation and development of the fishing industry, and  
17 in the investigation and conservation of the fishery resources  
18 of the ~~Philippine Islands~~ *Philippines* and adjacent waters.

19 (b) To accomplish such purposes the Fish and Wild-  
20 life Service shall conduct oceanographic, biological, fish cul-  
21 tural, technological, engineering, statistical, economic, and  
22 market development studies and demonstrations and fishery  
23 explorations, and in conjunction therewith may establish  
24 and maintain a vocational school or schools of fisheries in  
25 the ~~Philippine Islands~~ *Philippines* for the purpose of provid-

1 ing practical instruction and training in the fisheries; and  
2 may, at any time prior to July 1, 1950, provide one year  
3 of training to not more than one hundred and twenty-five  
4 Filipinos, to be designated by the President of the ~~Philippine~~  
5 ~~Islands~~ *Philippines* subject to the provisions of section 311  
6 (c), in methods of deep-sea fishing and in other techniques  
7 necessary to the development of fisheries.

8 (c) The Fish and Wildlife Service is authorized to  
9 acquire, construct, maintain, equip, and operate such re-  
10 search and experimental stations, schools, research and ex-  
11 ploratory fishing vessels, or any other facilities in the  
12 ~~Philippine Islands~~ *Philippines* that may be necessary to  
13 carry out the purposes of this section.

14 (d) The United States Maritime Commission is author-  
15 ized, upon recommendation of the Fish and Wildlife Service  
16 of the Department of the Interior, to make arrangements for  
17 the transfer by sale or charter of small vessels, considered by  
18 the United States Maritime Commission to be satisfactory  
19 for the purpose, to be used in the establishment and con-  
20 tinuance of a fishing industry to be operated in or near the  
21 ~~Philippine Islands~~ *Philippines*. Such transfers may be made  
22 on such terms and conditions, including transfer for a nominal  
23 consideration, as the United States Maritime Commission may  
24 approve, but only if, in the opinion of the Fish and Wild-

1 life Service, such small vessels so to be used for Philippine  
2 Island fishing are not needed by the fishing industry of the  
3 United States, its Territories, and possessions.

4 COAST AND GEODETIC SURVEYS

5 SEC. 310. The Coast and Geodetic Survey of the De-  
6 partment of Commerce is authorized to continue, until June  
7 30, 1950, the survey work which was being conducted by  
8 it in the ~~Philippine Islands~~ *Philippines* prior to December 7,  
9 1941. The Director of the Coast and Geodetic Survey is  
10 authorized to train not exceeding twenty Filipinos each year,  
11 to be designated by the President of the ~~Philippine Islands~~  
12 *Philippines* subject to the provisions of section 311 (c), in  
13 order that they may become qualified to take over and con-  
14 tinue such survey work on and after July 1, 1950, and to pay  
15 all expenses incident to their temporary employment and  
16 training.

17 GENERAL PROVISIONS

18 SEC. 311. (a) The Government of the ~~Philippine~~  
19 ~~Islands~~ *Philippines* shall provide all lands, easements, and  
20 rights-of-way necessary for the execution of the projects herein  
21 authorized.

22 (b) The several bureaus and agencies of the Govern-  
23 ment authorized by this title to undertake projects in the  
24 ~~Philippine Islands~~ *Philippines* are hereby authorized, in the



1 prosecution of such projects, to cooperate with the Govern-  
2 ment of the ~~Philippine Commonwealth~~ (or the ~~Philippine~~  
3 ~~Republic~~) *Philippines*, and to accept contributions of labor,  
4 materials, and money from such government and its political  
5 subdivisions and to utilize such labor, materials, and money in  
6 the prosecution of such projects.

7 (c) Wherever in this title the training of Filipinos at  
8 the expense of the United States Government is authorized,  
9 the head of the bureau or agency under whose supervision  
10 or control the training is given may establish minimum re-  
11 quirements as to education and experience, provide for com-  
12 petitive examinations, or establish such other standards for  
13 qualification for such training as in his judgment may seem  
14 necessary and advisable, and under such regulations as may  
15 be adopted from time to time may provide for the payment  
16 of all expenses incidental to such training, including, but  
17 not limited to, actual transportation expenses to and from  
18 and in the United States, allowances for tuition, educational  
19 fees, and subsistence.

20 (d) Any Filipino who is designated for training or  
21 instruction as provided in this Act may be admitted to the  
22 United States for such training or instruction upon certifica-  
23 tion to the Immigration and Naturalization Service by the  
24 head of the bureau or agency under whose supervision the  
25 training or instruction is to be given that such entry is

1 necessary in connection with the training or instruction,  
2 notwithstanding the provisions of section 8 of the Act of  
3 March 24, 1934 (48 Stat. 462; 48 U. S. C. 1238), and  
4 notwithstanding any provision of the laws of the United  
5 States relating to the immigration, exclusion, or expulsion, or  
6 ~~registration of aliens~~ *except registration and fingerprinting as*  
7 *provided in the Alien Registration Act of 1940 (8 U. S. C.*  
8 *451, and the following): Provided, That such admissions*  
9 *shall be deemed pursuant to section 3 (2) of the Immigra-*  
10 *tion Act of 1924 (43 Stat. 154; 47 Stat. 607; 54 Stat. 711;*  
11 *8 U. S. C. 203): Provided further, That the privilege of*  
12 *entering or remaining in the United States for such purposes*  
13 *shall end within a reasonable time, to be fixed by regulation*  
14 *of the Commissioner of Immigration and Naturalization*  
15 *with the approval of the Attorney General, after termination*  
16 *of the training or instruction: Provided further, That the*  
17 *head of the bureau or agency concerned may at any time*  
18 *terminate the training or instruction of any person under*  
19 *this Act if in his judgment the best interests of either the*  
20 *United States or the ~~Philippine Government~~ Philippines*  
21 *makes such action advisable, and his decision shall be final*  
22 *and conclusive: Provided further, That any such Filipino*  
23 *who shall fail to depart from the United States within the*  
24 *reasonable time fixed by regulation, as herein prescribed,*  
25 *shall be subject to being taken into custody and deported, as*

1 provided by section 14 of the Immigration Act of 1924 (43  
2 Stat. 162; 8 U. S. C. 214) .

3 (e) Unless otherwise provided by law this title, *except*  
4 *the last proviso to sub-section (d) of this section*, shall expire  
5 on June 30, 1950.

6 TITLE IV—THE UNITED STATES HIGH  
7 COMMISSIONER

8 SEC. 401. Until the ~~Philippine Islands~~ *Philippines* attain  
9 their independence, the functions, powers, and duties exer-  
10 cised in the ~~Philippine Islands~~ *Philippines* by any officer,  
11 employee, department, or agency of the United States in  
12 carrying out the provisions of this Act shall be exercised under  
13 the general supervision of the United States High Commis-  
14 sioner to the ~~Philippine Islands~~ *Philippines*, and the officers,  
15 employees, offices, missions, and other agencies exercising  
16 such functions, powers, and duties shall be deemed to be  
17 attached to the office of the High Commissioner.

18 SEC. 402. *On and after the date upon which the*  
19 *Philippines attain their independence the power, authority,*  
20 *duties, and functions authorized under this Act to be exercised*  
21 *by the High Commissioner to the Philippines shall vest*  
22 *in and be exercised by such representative or repre-*  
23 *sentatives of the United States as shall be appointed for*  
24 *that purpose by the President of the United States.*



1 *TITLE V—RESTORATION AND IMPROVEMENT*  
2 *OF THE PROPERTY OF THE UNITED*  
3 *STATES*

4 *SEC. 501. There is hereby authorized to be appro-*  
5 *priated, out of any money in the Treasury not otherwise*  
6 *appropriated, the sum of \$5,000,000 for the restoration,*  
7 *repair of damage to and improvement of lands and buildings*  
8 *referred to in paragraph (3) of subsection (c) of section*  
9 *3 of Public Law Numbered 300, Seventy-sixth Congress,*  
10 *first session (53 Stat. 1226), and for the acquisition or*  
11 *construction of additional buildings to house the civil agencies,*  
12 *including the diplomatic and consular establishments of the*  
13 *United States operating in the Philippine Islands.*

14 *TITLE VI—GENERAL PROVISIONS*

15 *SEC. 601. No payments under title I of this Act in*  
16 *excess of \$500 shall be made until an executive agreement*  
17 *shall have been entered into between the President of the*  
18 *United States and the President of the Philippines, and*  
19 *such agreement shall have become effective according to its*  
20 *terms, providing for trade relations between the United States*  
21 *and the Philippines, and which agreement shall also*  
22 *provide for the same offenses, and penalties upon con-*  
23 *viction, thereof, as are set forth in section 107 and section*  
24 *108 of title I of this Act.*

1        *SEC. 602. If any provision of this Act, or the applica-*  
2        *tion thereof to any person or circumstance, is held invalid,*  
3        *the remainder of the Act and the application of such pro-*  
4        *vision to other persons or circumstances shall not be affected*  
5        *thereby.*

Amend the title so as to read "An Act for the Rehabili-  
tation of the Philippines".

Passed the House of Representatives .

Attest:

*Secretary.*









79<sup>TH</sup> CONGRESS  
2<sup>D</sup> Session

**S. 1610**

[Report No. 1921]

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# AN ACT

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To provide for the rehabilitation of the Philippine Islands, and for other purposes.

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DECEMBER 10, 1945

Referred to the Committee on Insular Affairs

APRIL 3, 1946

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed







DIGEST OF  
CONGRESSIONAL PROCEEDINGS  
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
Legislative Reports and Service Section  
(For Department staff only)

Issued April 11, 1946  
For actions of April 10, 1946  
79th-2nd, No. 65

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Farm Security Adm.....11	Rationing.....32	Transportation.....6, 30
Forestry.....21, 24	Reclamation.....16	Veterans.....19, 23
Grain.....31	Relief, foreign.....19	Wildlife.....37
Housing.....1, 2, 27		Wool marketing.....26
Information.....14		

HIGHLIGHTS: Senate passed Patman housing bill. Senate committee reported Philippine trade bill. Both Houses received proposed legislation from this Department to extend Soil Conservation and Domestic Allotment Act to Virgin Islands. House passed Philippine rehabilitation bill. Rep. Stevenson criticized OPA butter regulations, stating that they "aid the oleo interests to supplant the creamery butter industry". Rep. Clevenger spoke against Federal aid for school lunches.

SENATE

1. PATMAN HOUSING BILL. Passed, 63-14, with amendments this bill, H. R. 4761 (pp. 3465-501). Agreed, 41-33, to an amendment by Sen. Revercomb, W. Va., to strike out the provision for price control on existing housing and land (pp. 3465-74).
2. WAGNER-ELLENDER-TAFT HOUSING BILL. Began debate on this bill, S. 1592 (p. 3501).
3. COFFEE AGREEMENT. Discussed the proposed ratification of the extension of the Inter-American Coffee Agreement (p. 3502).
4. SUGAR AGREEMENT. Discussed the proposed ratification of the International Sugar Agreement (p. 3502).
5. PHILIPPINE TRADE BILL. The Finance Committee reported with amendments H. R. 5856, this bill (S. Rept. 1145)(p. 3464).
6. TRANSPORTATION. The Commerce Committee reported without amendment H. R. 5316, to permit Canadian vessels to transport iron ore between U. S. ports on the Great Lakes in order to make more shipping available for farm products (S. Rept. 1166) (p. 3464).
7. SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT. Both Houses received proposed legislation from this Department to extend this Act to the Virgin Islands. To Senate Agriculture and Forestry and House Agriculture Committees. (pp. 3552, 3462.)
8. PRICE CONTROL. Received from various Kans. dairymen a petition for an increase in milk prices (p. 3463).



9. BUDGET. Received from the N. Dak. Taxpayers Association a petition for balance of the Budget (p. 3463).
10. RETIREMENT; FARM CREDIT. Received from the Grandell National Farm Loan Association, N. Dak., a petition for inclusion of such Associations' employees under the Civil Service Retirement Act (p. 3463).
11. FARM SECURITY ADMINISTRATION. Received a resolution from the Devils Lake, N. Dak., Chamber of Commerce favoring continuation of this agency (p. 3463).
12. MILK MARKETING. Received a petition from independent dairy operators in the Chicago area opposing the milk-marketing administration there (pp. 3463-4).

#### HOUSE

13. PHILIPPINE REHABILITATION. Passed with amendments S. 1610; to provide for rehabilitation of the Philippines (pp. 3504-18).
14. STATE, JUSTICE, COMMERCE, JUDICIARY APPROPRIATION BILL. Began debate on this bill, H. R. 6056 (pp. 3518-41).  
During the debate Rep. Stefan, Nebr., spoke in favor of the State Department's program of international information and cultural affairs (pp. 3523-4), and Rep. Vocys, Ohio, criticized the program (pp. 3539-41). Rep. Clevenger, Ohio, spoke in opposition to Federal grants to States, mentioning the school lunch program specifically, and inserted a table showing the grants to States for this program (pp. 3535-7).
14. DAIRY INDUSTRY. Rep. Stevenson, Wis., criticized OPA regulations on cream and butter and stated that Government agencies "must not aid the oleo interests to supplant the creamery butter industry in this country" (pp. 3545-9).
15. ELECTRIFICATION. Rep. Savage, Wash., urged an exposure of the "deliberate misrepresentations of facts" by the private power lobbies (pp. 3542-5).
16. RECLAMATION. Rep. Patterson, Calif., called for support of the projects proposed by the Bureau of Reclamation in Calif. (p. 3551).
17. SELECTIVE SERVICE. The Military Affairs Committee reported without amendment, H. R. 6064, to extend the Selective Training and Service Act of 1940 (H. Rept. 1923) (p. 3552).
18. PRICE CONTROL. Received from the N. Y. League of Women Shoppers, a resolution endorsing the continuation of the OPA (p. 3553).
19. SURPLUS PROPERTY; FOREIGN RELIEF. Rep. Stigler, Okla., criticized the allocation of surplus tractors to UNRRA rather than to veterans (p. 3503).

#### BILLS INTRODUCED

20. CROP INSURANCE. S. 2049, by Sen. Thomas, Okla., to amend the Federal Crop Insurance Act so as to permit the purchase of insured commodities on the futures market, and S. 2050, by Sen. Thomas, Okla., to amend the Federal Crop Insurance Act so as to permit insurance on wheat, cotton, and flax in terms of dollars. To Agriculture and Forestry Committee. (p. 3464.)
21. FORESTRY. S. 2052, by Sen. Briggs, Mo., and H. R. 6075, by Rep. Zimmerman, Mo., to establish a national memorial forest park in Mo. as a memorial to World War II veterans. To Public Lands and Surveys Committees (p. 3464, 3553.)



# House of Representatives

WEDNESDAY, APRIL 10, 1946

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Master, the world's Saviour, Thou who remainest the same today and forever, we rejoice that Thy mercy never faileth. We pray Thee to cleanse our thoughts and purposes by the inspiration of Thy spirit, that we who take counsel for our Nation shall give the true perspective of our times. O keep us from running in self-chosen and self-pleasing ways and thus we shall maintain our rich estate—the mastery of life. We praise Thee for the heart-winning words of our Saviour, which would teach us the virtue of humility, the real nature and value of wealth, and the capacity to serve in public and in private life. Grant us the spirit of good will, devotion to the truth, the strength to do our work, and the courage to turn our words into deeds. In our labors dispel every shadow of self-seeking, that our hope in Thee may be free from the mark of distrust and the fear that dishonors Thee. We pray that Thy guiding radiance above us shall be a beacon to God, to love, and loyalty. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## BOARD OF VISITORS—UNITED STATES MILITARY ACADEMY

The SPEAKER laid before the House the following communication:

APRIL 8, 1946.

HON. SAM RAYBURN,  
The Speaker,  
House of Representatives,

Washington, D. C.

MY DEAR MR. SPEAKER: Under date of January 6, 1945, I notified you, pursuant to the provisions of the act approved May 17, 1928 (10 U. S. C. 1052a), of the names of the members of this committee I had designated as members of the Board of Visitors to the United States Military Academy for the Seventy-ninth Congress.

This is to advise that I have designated Hon. W. F. NORRELL, of Arkansas, to fill the vacancy resulting from the death of Hon. J. Buell Snyder.

Sincerely yours,

CLARENCE CANNON,  
Chairman.

## EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short address he made at a reception tendered to the French consul at Chelsea, Mass.

## SPECIAL ORDER GRANTED

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that today, after the disposition of business on the Speaker's desk and the conclusion of special orders

heretofore entered, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## CORRECTION OF RECORD

Mr. STEWART. Mr. Speaker, I ask unanimous consent to correct the RECORD of April 9 on page 3456 to include the name of the gentleman from Oklahoma, Hon. GEORGE B. SCHWABE, between the names of WILLIAM G. STIGLER and JED JOHNSON in a letter which we jointly wrote our colleagues.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## EXTENSION OF REMARKS

Mr. OUTLAND (at the request of Mr. SAVAGE) was given permission to extend his remarks in the Appendix of the RECORD and include a statement from the National Planning Association entitled "America's Stake in the British Loan."

Mr. ELLIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

## PERMISSION TO ADDRESS THE HOUSE

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a magazine article.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

[Mr. ELLIS addressed the House. His remarks appear in the Appendix of today's RECORD].

## EXTENSION OF REMARKS

Mr. SPRINGER asked and was given permission to extend his remarks in the Appendix of the RECORD and include some excerpts.

The Delegate from Hawaii, Mr. FARRINGTON, asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the United Press about Daniel Webster and Hawaii.

## PERMISSION TO ADDRESS THE HOUSE

Mr. STIGLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## MORE BUNGLING

Mr. STIGLER. Mr. Speaker, upon receiving information on March 1 that the

Office of War Mobilization and Reconstruction had allocated 10,000 tractors to UNRRA, I immediately dispatched a telegram to the Director protesting such action, and asking him to please advise if this information were true. Not having received an answer to my telegram, I dispatched another on March 18 reasserting my protest, and again called on him to advise me if such action had been taken.

On March 27 I received a very short letter in answer to my telegram of the 18th—nothing was said about the one on March 1—advising me that members of his staff were going into the matter and they would communicate with me in regard to it in the near future.

A few days thereafter I received a letter a little more in detail, advising me that—I quote:

The availability of tractors in the war-torn areas abroad will be an important factor in determining the amount of food which these areas can produce, and thus in lessening the danger of mass starvation overseas.

The quote is somewhat vague, but I assume the tractors were sold or given to UNRRA.

What about the farmers of America? And particularly the veteran? Here we are being called upon to feed the world and our veterans are clamoring for farm machinery and cannot get it. And yet, the over-generosity of some of our officials sanctions the sending of 10,000 tractors overseas.

Mr. Speaker, I know it has been estimated that there are 500,000,000 people in war-torn Europe and elsewhere on starvation. As one, I am willing to miss a meal each day so they may have food, but I was burned up when I read about a war veteran in the State of Washington offering to trade his Distinguished Service Cross for a priority on a tractor and cannot get one.

Think of it—all these tractors being sent to Europe and elsewhere, and our veterans going without.

I call this to the attention of the House in the hope that our Committee on Expenditures in the Executive Departments will correct this situation before it happens again.

## EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and insert an editorial from the Williamsport Gazette and Bulletin, entitled "The Land of the Free."

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Boston Post of April 8, entitled "Truman's First Year."

Mr. RANKIN. Mr. Speaker, yesterday I secured unanimous consent to correct



the RECORD to insert some material that was inadvertently left out of a speech which is printed in the RECORD of April 5 on the Tennessee-Tombigbee inland waterway. Since those items are rather lengthy, I ask unanimous consent to have the speech reprinted in the Appendix with those corrections.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

#### PHILIPPINE REHABILITATION ACT, 1946

Mr. BELL. Mr. Speaker, pursuant to the order made yesterday, I call up for immediate consideration the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Under the order made, the gentleman from Missouri is recognized for 30 minutes, and the gentleman from California [Mr. WELCH] is recognized for 30 minutes.

Mr. BELL. Mr. Speaker, I yield 5 minutes to the Commissioner from the Philippine Islands, General ROMULO.

Mr. ROMULO. Mr. Speaker, I want to express the gratitude of the people of the Philippines to the people of the United States for the legislation which is now before the House. This legislation, providing for the rehabilitation of the Philippines, passed the Senate a few weeks ago. It is the product of the observations and thinking of some of the best minds in America, with the cooperation of President Osmeña and other Filipino representatives. But it is more than that. It is the product of the many years of collaboration between the American and Filipino peoples—of the common ordeal through which we have passed—and, most of all, of the undying friendship between us.

I do not presume to appeal to you now for passage of the bill. Rather, I take it for granted that you are going to help us rebuild our shattered land, and I stand before you as the spokesman of 19,000,000 Filipinos who want me to tell you of their appreciation and to give you some of the background information on Philippine rehabilitation.

My homeland, Mr. Speaker, is in ruins. Its proud capital is no more. Its industries are silent, for few wheels turn. Its fields too often lie untended, for there is no means of transporting their produce to market. Its trade and commerce languish. The people hunger.

This is the price we paid for our loyalty to the United States. The Japanese attacked us while our soil was still protected by the American flag, and the tens of thousands of Filipinos who died during the war years were American nationals. We do not regret our stand. We are proud of it. And today, in our pride, we look only for the help that will permit us to get back on our feet and pick up once again the tools of progress.

In his report to the Senate when the Philippine rehabilitation bill was submitted to that body, Senator TYDINGS declared:

Prior to the Japanese invasion the Filipinos were carrying on virtually their entire gov-

ernment and doing it successfully. Had there been no war with Japan the problem of transition from their existing status to complete independence would have been relatively simple. The ravages of war with Japan have completely altered this happy prospect. When the Philippines do become independent next July, they will start on the road to independence with a country whose commerce, trade, and political institutions have been very, very seriously damaged. Years of rebuilding are necessary before the former physical condition of the islands can be restored. Factories, homes, government and commercial buildings, roads, bridges, docks, harbors, and the like are in need of complete reconstruction or widespread repairs. It will be quite some while before the Philippines can produce sufficient food with which to sustain themselves.

The internal revenues of the country have been greatly diminished by war. Much of the assessable property basis has been destroyed. Foreign trade has vanished. Internal commerce is but a fraction of what it used to be. Machinery, farming implements, ships, bus and truck lines, interisland transportation and communications have been wrecked.

This report, which received the unanimous vote of the Senate Committee on Territories and Insular Affairs, cites figure after figure in the statistical analysis of destruction in the Philippines. Statistics may have no heart, and they may paint no graphic picture of handsome buildings now gutted, of human beings massacred with cold steel, of homeless children clad in rags. But, by their very impersonality, they tell an impressive story. Let us look at some of these statistics, gathered, not from Filipino sources but from American sources.

I pick these figures at random from the report. The value of the public property in the possession of the national government alone was \$116,186,825. Of this amount, exactly \$99,561,425 has been lost in the war. Communications and electric plant, including cable lines, was valued at \$2,764,875. The loss was \$2,764,875—exactly 100 percent. Machinery, tools, and furniture of the national government alone was valued at \$15,287,700. The loss was \$15,287,700—exactly 100 percent.

Private property was hit equally hard. I quote a single paragraph from the Senate report:

There is some damage in all districts in Manila, but the most valuable sections have been practically destroyed. The port area and the Santa Cruz district have suffered a 90 percent loss; Malate and Intramuros, 93 percent; Paco, Ermita, and Binondo, from 68 to 85 percent. Most of the damage occurred when the Japanese were driven from the city in December 1944 and January 1945. As the Japs withdrew they deliberately set fire to most of the buildings in the financial, retail, and high-class apartment and residential districts.

Do you want to know what Manila looks like today? Imagine Washington in ruins. All Government buildings are tumbled to the ground, excepting only the White House. This very building in which we sit now leaning crazily on its side, the walls caved in, and the world-famed cupola lying shattered in the Capitol subway. The busiest intersection in Washington—Fourteenth and F Streets, for example—no more than a crossroads in the midst of ruins neatly

cleared away to allow the jeeps and trucks and wayfarers to find their way about. All of the great department stores gone. They are at best empty shells with glassless windows yawning an invitation to the winds and rain. The residential districts from here to Chevy Chase are flattened, and the fine embassies along Massachusetts Avenue but a memory. This Congress would be meeting, perhaps, in what is left of the high school in the Georgetown district, and the Members would walk many miles each day to get there from the impromptu dwellings they had fixed up for themselves in rat-infested cellars. For months all of Washington must go without electricity and running water, and, because of the shortage of essential supplies, prices are sky high. Along business streets, like Connecticut Avenue, merchants have erected makeshift stalls to carry on their pathetic trade. And everywhere there is wreckage, misery, ruin.

If Washington had undergone Manila's Calvary, that is what this capital city would be like today. And remember, Mr. Speaker, that the destruction in the Philippines was not limited to Manila. It reached out into the smaller cities—Cebu, almost totally destroyed, for example—and to the tiniest villages from northern Luzon to Mindanao.

Any person who has visited the Philippines since liberation knows that our country could not possibly revive, restore, rebuild, and rehabilitate, without help from you. Our islands are rich with natural resources. Our people are anxious to work their way back to a high standard of living. Our businessmen stand ready to reestablish the commercial relations which, in the past, have contributed so much to the United States as well as to the Philippines. But we cannot begin this work without money and materials.

The whole future of the Philippines depends upon the help we get from you. Next July, at the latest, we embark upon a new chapter in our Nation's history. At that time, we shall achieve the independence we have earned so painfully. But independence without rehabilitation would be a mockery of the sacrifices of the men who fought and died for freedom—freedom from want as well as the other three great freedoms.

That is why I speak in the name of all my countrymen in telling you of our heartfelt gratitude for the action you will soon take in passing the Philippine rehabilitation bill. This bill is part of a five-way program of assistance which the United States is undertaking in the Philippines.

First of all, it provides for compensation of war damages, to the amount of \$400,000,000. These damages occurred as a result of enemy attack, action taken by the enemy, action by or at the request of the United States armed forces in prosecuting the war, or looting, pillage, and disorder. At the time the damages occurred, the Philippines was under the sovereignty of the United States of America. Though we fought back because we were Filipinos, and Filipinos will always fight for freedom, we were also fighting as American nationals in



defense of the American flag. This compensation, therefore, is no more than a matter of simple justice on the part of the American people.

As the bill stands, there is provision for the payments ultimately to be made by the very people who were the cause of all the destruction in the Philippines: the Japanese. Any sums received from Japan by way of reparations or indemnity will be covered into the Treasury of the United States until they are equal to the amounts paid out for Philippine war damage compensation. Once this amount has been reached, any further reparations payments from Japan will be used to satisfy claims still unpaid or not fully paid.

This war damage compensation will benefit, not only the wealthy, but also the little fellow whose hundred-dollar losses are as important to him as the hundred-thousand-dollar loss is to the rich man. And it is our expectation that all sums received as compensation for war damage will be used solely for useful, productive purposes in the Philippines.

The second point in the rehabilitation program, also covered by this bill, is the transfer of surplus property to the Philippine Government, to the amount of \$100,000,000. This surplus property, I am informed, will include practically all of the materials no longer needed by the armed forces in the Philippines, excepting, of course, military weapons, munitions, and toxic gas. It will include building and construction equipment and materials, vehicles, and other necessary items. This surplus property is already in the Philippines. We need it badly. If we do not get it, the property would have to be shipped back to the United States, at great cost to the Government and at a time when all shipping space should be used to bring high-point troops home for discharge or to carry food to the hungry people of Asia and Europe.

We can use this surplus property to repair and replace Government buildings, equipment, and other property; to restore and provide essential public buildings, services, works, and utilities, including hospitals, schools, and other health and welfare institutions; and to rehabilitate our economy and encourage private enterprise in the Philippines.

The third point in the rehabilitation program, which is covered by this bill, is the restoration and improvement of public property and essential public services. For this purpose, the bill appropriates \$120,000,000. This money will be used to put our roads, streets, and bridges back into commission. The communications system in the Philippines has virtually collapsed because of the war. Except for highways maintained for military purposes, our roads are in disrepair, and we have hardly a permanent bridge left in the entire country. Out of these funds, too, it will be possible for the Corps of Engineers to rebuild the port and harbor facilities destroyed by the war. Assistance is also provided in the fields of public property, public health, inter-island commerce, weather information, fisheries, and coast and geodetic surveys.

These are the essentials to a restoration of normal economic life in the Phil-

ippines. We cannot survive unless we receive this help.

The fourth point in the rehabilitation program, which is partially covered by this bill, is the technical assistance we shall receive from the United States. While, from the point of view of the money required, this does not compare with the other aspects of rehabilitation, we consider it one of the most important of all. For we know very well that no nation can take its permanent place in the family of sovereign states unless it has competent technicians to handle its essential services.

Because of the war, we have lost many of the most highly trained and most experienced of our Filipino technicians. We must replace them, quickly. This bill provides for a thorough training program—10 Filipino engineers to be trained in the maintenance and operation of highway transport facilities; 10 Filipino engineers to be trained in the construction, improvement, and maintenance of port facilities and other river and harbor improvements; 100 Filipinos to be trained in public-health methods and administration; 50 Filipinos to be trained each year in the United States Merchant Marine Cadet Corps and at the United States Merchant Marine Academy; 50 Filipinos to be trained each year in air navigation and air traffic; 50 Filipinos to be trained the first year, and 25 Filipinos to be trained each succeeding year, in meteorology and weather service; 125 Filipinos to be trained in deep-sea fishing and other fishery techniques, with the establishment of fishery schools in the Philippines by the Fish and Wildlife Service; and 20 Filipinos to be trained each year in Coast and Geodetic Survey work.

In addition to the training provisions in this bill, certain agencies and departments of the United States Government are conducting programs of assistance to us in training Filipinos in other fields of governmental and economic service.

We need this help. We need the technical assistance, the advice, the experience, the know-how, of the most successful Nation on earth. And we are grateful to you because, in your wisdom, you are making it available to us.

The fifth point in the rehabilitation program is not covered by this bill. It is the entire matter of future trade relations between the United States and the Philippines. All of the other four points will depend, to a very great extent, on these trade relations. The House has already unanimously passed the Philippine trade bill, and it is our hope that the Senate will do the same thing within the next few days—or even hours.

I do not think it is necessary for me to go into greater length on the urgent need for the Philippine Rehabilitation Act in my homeland. But let me—as a Filipino born on the other side of the Pacific Ocean—remind you of America's direct self-interest in Philippine rehabilitation.

You made a commitment to the Filipino people before the war and during the war. Before the war, the United States committed itself to the recognition of our independence by July 4, 1946. You were keeping your promise when the

Japanese attacked, and that was one of the chief reasons why we unhesitatingly stood by your side. During the war, the United States committed itself to the proposition that our independence would be maintained as well as established, and that the ravages of the war in the Philippines would be fully repaired. The people of the United States are in the habit of keeping their promises. That is reason No. 1 why we take it for granted that the bill will pass.

Reason No. 2 is American security. The United States will continue to maintain great bases in the Philippines for the defense of its own integrity, as well as for the peace of the world. No base can be truly safe unless it rests upon the foundation of a contented, law-abiding, prosperous civilian population. And no civilian population will be contented, law-abiding or prosperous if, after suffering the untold devastation of the war, it is not enabled to return to the ways of normal, progressive life.

The third reason is perhaps the most important of all: the prestige of the United States throughout the Far East. One billion human beings in the Orient are watching the noblest experiment ever conducted in the Eastern Hemisphere—the ever-growing friendship and cooperation between a powerful western nation and a small eastern nation. So far this friendship has met the test of war. Now it faces the test of peace. If the United States provides the Philippines with the assistance it needs—as I know it will—American prestige will soar. If the United States were to ignore its responsibilities in the Philippines, American prestige would plummet to earth. Prestige, Mr. Speaker, may be an abstract idea. But wars are brewed in the cauldron of national reputations. I say to you now that the United States was attacked by Japan in 1941—in part, at least—because its prestige was low. The United States has now reached a new high throughout the Orient as an enlightened, disinterested champion of human freedom. It cannot afford to lose its moral strength in these trying days of peacetime maneuverings. This legislation is more than help for the Philippines. It is a rock of strength for American prestige in the Far East, and therefore it is a force for enduring peace throughout the world.

For our part, we of the Philippines want to thank you most sincerely for the understanding and sympathy and generosity with which you have tackled our mutual problems. We have been loyal to you because we believe with you in the basic ideals of free men—the ideal of democracy, and peace, and brotherhood, and understanding. Today, as you consider this legislation which translates into the brittle words of legal terminology the principles for which we both have fought and suffered, we assure you that we shall continue to stand by your side, in peace as in war, in victory as in defeat, in the future as in the past.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ROMULO. With pleasure.

Mr. RANKIN. I agree, of course, with what the gentleman is saying. I am gratified beyond expression that the Fili-



pinos are now obtaining their independence. I wish for them unbounded peace, happiness, and prosperity.

Several days ago some very distinguished men from the Philippines came to me and asked that the Veterans' Administration facilities be left in the Philippines for a time at least after July 4, when their independence goes into effect. We could not do that, of course, unless it were satisfactory to the Philippine Republic. Does the gentleman know what the feeling is about it?

Mr. ROMULO. I thank the gentleman from Mississippi for the interest he has taken in this matter. I have spoken on the floor about it once, and I want to reiterate to him the desire of my people that our veterans be given the justice they deserve. We want the Veterans' Administration to continue in the Philippines, and I hope we can enlist his support to this end. The gentleman from Mississippi has always shown himself to be a true friend of the Philippines.

(Mr. ROMULO asked and was given permission to revise and extend his remarks.)

Mr. BELL. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Missouri is recognized for 5 minutes.

Mr. BELL. Mr. Speaker, it has been less than half a century since the armed forces of America drove from the Philippine Islands the Spanish tyrants who had for centuries held the Philippine people in a state of serfdom. For the first time in the history of the long centuries that have gone before, a great power brought to a weaker and subject nation the open hand of friendship and the offer of nationhood and liberty. Gradually, the processes of free government were worked out. Step by step, the blessings of liberty were brought to the Philippines. Schools and roads, orderly processes of government, a higher standard of living became a recognized and a settled part of the policy of America toward the Philippines. When in 1941 the ruthless hordes of Japan swept across the Philippines like a devastating flood, the citizens of that island republic were first given the acid test. They were crushed but not conquered. In their wooded hills and among the underground places of their cities the fires of liberty and hope were kept burning and they never failed in their courage, their loyalty, and their devotion to the cause of liberty, and never once did they falter in their complete and magnificent loyalty to the people of the United States whom they believed to be their friends. They were weighed in the balance and they were not found wanting. You men of America today, when you vote upon this bill, will face a test. You will have your sincerity, your friendship, and your loyalty to those friends in that far-off island country tested in the crucible of action upon this bill. America is asked to give out of its great treasures in order that the farms and industries of the Philippines and the necessary functions of government may be restored and permitted once more to function. I know that this body will not fail to do its duty. This bill, however, is not entirely one-

sided. The appropriations and expenditure of the moneys authorized in this bill will bring returns and prosperity in trade and in those intangible values which friendship in a troubled world must carry, many times overshadowing the actual cost in dollars and cents.

Gentlemen, you will recall that it has only been a few days since this House passed the Philippine trade bill, a bill which I filed in the House, setting up a liberal program of trade relations between the United States and the Philippines. A program frankly designed to bring prosperity through the expansion of private industry and the building of trade and commerce between the two countries. This bill furnishes the sinews whereby the trade bill can be made to function with effectiveness. This bill provides for the rehabilitation of harbors and port facilities; for transportation and communications systems in the Philippines; for rebuilding of warehouses and factories, manufacturing plants and utilities and the rebuilding of government buildings so that there may be an orderly handling of the business of the nation. The public health service, of course, must be restored, for without this a stabilized business program in a tropical country would be impossible. Churches and schools are to be rebuilt. Our own ancestors, when they first came to America, built churches and schools and it has been recognized by Americans ever since that without these things, there could be no ordered civilization. Without these things, the great program of trade and commerce visualized in the trade bill would not be able to function.

Mr. Speaker, this is one bill authorizing an appropriation which, I think, will return to the American people many times the amount authorized to be appropriated. The bill sets up the Philippine War Damage Commission, and authorizes the payment of certain sums to rehabilitate the economy of the Philippines. I do not need tell you, Mr. Speaker, that every city has been devastated, every industry has been devastated, even the farmers across those islands have been ruined, their carabao have been taken, their machinery has been destroyed. The Philippines without the assistance given in this bill will find it impossible to rehabilitate their economy. By doing the things that are authorized in this bill, we will rehabilitate the Philippines and we will recreate our sixth best customer in world commerce. Everybody in the South has an interest in this because it is the first market outside the United States for their cotton products. The people of New England have an interest in it because the first market outside of the United States for the products of the New England cotton mills is in the Philippines. The dairy farmers have an interest in it because the Philippines is the best market outside the United States for dairy products. The wheat growers in the Middle West have an interest in the passage of this bill because there is no other source outside the United States which furnishes as large a market for flour and the products of the farms of the Middle West as the Philippines. So while it is a thing that we owe the Fili-

pinos because we promised it to them, it is also a moral obligation and it is a thing that we ought to do for our own selfish interest as well. If we do not pass this bill we will be depriving this country of vast amounts of trade. We will not only be failing in our duty to a gallant little country whose people fought with unflinching loyalty and courage in the recent conflict, but if you vote down this bill you will dry up a golden stream of commerce that will bring wealth and welfare to both countries.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Indiana.

Mr. SPRINGER. I have not had the opportunity of going through this report. May I ask, what is the total amount of the appropriations which this bill will carry?

Mr. BELL. Five hundred and twenty-five million dollars. There are \$400,000,000 for rehabilitation of the physical property of private concerns, farmers, and so forth; \$120,000,000 to rehabilitate and rebuild the buildings that are necessary for the operation of the government there; then \$5,000,000 which is necessary to rebuild our own buildings which we will need for an embassy and for the numerous buildings to accommodate the necessary United States departments over there.

Mr. SPRINGER. I thank the gentleman.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. COLE of New York. In addition to the sums which the gentleman has identified as being authorized, there is also a further authorization of surplus property to the extent of \$100,000,000.

Mr. BELL. The gentleman is correct.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Pennsylvania.

Mr. RICH. I note from the hearings that they figure the recapitulation of all losses in the Philippines amounts to \$818,000,000-plus. The gentleman says we are appropriating \$400,000,000; in other words, about half of the amount that will be required for complete rehabilitation?

Mr. BELL. If we give them that much help, private industry will be able to carry the balance of the load and we want to do it as cheaply as we can; therefore we are not appropriating enough to do the job entirely, but we do believe that with this help private industry over there can go ahead and carry the balance of the load and the Philippines will be rehabilitated.

Mr. RICH. That is the point I want to bring out. I think they ought to try to help themselves. We are going to give them their independence on the 4th of July. This bill continues for 5 years our aid. In what manner might we conflict by this appropriation with the government of the Philippines by continuation of this proposal as outlined in the bill when they gain their independence? They will set up their own government and they may not want our



committee there to carry on their provisions of this bill.

Mr. BELL. There will be no conflict, because they will be an independent power and whatever is done will be done as a matter of mutual agreement between the two powers.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. BELL. Mr. Speaker, I yield myself two additional minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Mississippi.

Mr. RANKIN. In addition to what the gentleman from Missouri has said, the Philippine Islands will be extremely friendly to the United States and will be the outstanding Christian country in the Orient.

Mr. BELL. That is unquestionably true.

Mr. RANKIN. Those of us who have known the Filipinos all these years and have studied their history know that they will carry on the same kind of civilization that we are endeavoring to carry on here in America.

Mr. BELL. That fact alone would justify the appropriation if he did not have many other justifications.

Mr. RICH. May I ask a question for information? The gentleman has discussed this matter carefully and thoroughly with the Resident Commissioner from the Philippine Islands?

Mr. BELL. Many times. He has just made a speech a few moments ago urging the passage of this bill.

Mr. RICH. You have come to the conclusion that if we pass this bill it will be a sufficient contribution from the Federal Government of the United States with the passage of this bill so that when the Philippines become an independent nation they are not going to come back to us again for something that has been left out of this bill? This must be a termination of our promises both by legislation and by any promises made by any of our officials. In other words we want no implied obligations after this unless the Congress acts for that purpose.

It is a complete understanding between the Commissioner of the Philippines and this Government, so that when we carry out the provisions of this bill we have completed all the necessary arrangements for the complete rehabilitation of their Government so far as the obligations that are imposed on our Government are concerned.

Mr. BELL. I have not gone into the future with the Commissioner, but I do believe, and the committee believes, I am sure, that if this bill carries, it will go a long way toward the rehabilitation of the Philippines. We believe that it will rehabilitate their economy. We believe that if we do not pass this bill, it will not only be a great discredit to us, but we will lose a customer that is tremendously valuable.

Mr. RICH. I was trying to see if we could get a terminal agreement here of all promises legislated, spoken, or implied for the future.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. WELCH. Mr. Speaker, I yield myself 5 minutes. Mr. Speaker, this bill, S. 1610, supplements H. R. 5856 which was passed by the House last week. The Committee on Insular Affairs has given very careful consideration to this legislation and without opposition has recommended its passage.

The bill simply provides for the partial restoration of war damages.

No other nation in the recent war suffered as relatively great war damage as did the Philippine Islands.

Their entire country was overrun.

Their social structure was destroyed.

Their economy was completely obliterated.

Their farms were ruined.

Their cities and buildings in their cities, particularly in the Pearl of the Orient—Manila—received far greater damage than any other large city in any country.

Their machinery was confiscated and taken from the country.

Their animals were killed and the entire country was devastated by the invaders.

Their interisland shipping, so important to intercommunication between the 7,000 islands of the Philippines, was wiped out.

We have attempted to reestablish a sound foundation to Philippine economy by passing the Philippine trade bill. The values of this bill, however, will not be felt for at least 3 years. Your Committee on Insular Affairs has been advised that at least 3 years will elapse before normal sugar operations will be effective. Sugar is the primary cash crop of the Philippines.

This War Damage Act will provide a means of assisting the Philippine people in the immediate future and for this reason I strongly favor its early passage.

Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. COLE of New York addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. BELL. Mr. Speaker, I yield such time as he may desire to the distinguished majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

(Mr. MCCORMACK asked and was given permission to revise and extend his remarks.)

Mr. MCCORMACK. Mr. Speaker, I want to compliment the chairman of the Committee on Insular Affairs and all the members for the manner in which they have devoted themselves to the consideration of this important piece of legislation and for the care that they have taken in considering and reporting the bill now before the House, representing the unanimous opinion of the committee. The work that they have done in this committee, when this bill is finally enacted into law, will be a heritage to

each and every one of them for years to come, because the results that will flow from this bill will have a very far-reaching effect on world affairs, and especially to the national interest of our own country.

I also want to call attention to the able and distinguished service not only in the field of battle, but on the floor of this Chamber, rendered by our beloved colleague, who represents the people of the Philippines, General ROMULO. The position of General ROMULO in the hearts and minds of all of the Members is one of extreme closeness; we all have a very high regard for him, and the people of the Philippines are indeed fortunate in having such an outstanding gentleman representing them in this body.

Mr. Speaker, the people of the Philippines have emerged from war a stricken people inhabiting a country devastated by the ravages of the enemy. The war has ended—but the surrender of Japan has not rebuilt the homes nor ameliorated the living conditions of those brave Filipinos who nobly rallied to the cause of democracy and side by side with America endured bloody disaster for 3 years of martial holocaust and went on to suffer through the harsh occupation of the enemy in a manner more horrible than even imagination can picture. Hundreds of thousands of Filipinos were destroyed—not only the heroic defenders of Bataan, nor the 28,000 who lie at Capas where the March of Death came to an end, not only the defenders of Cabu, nor the guerrillas who made possible the survival of American fighting men through their valor and sacrifice, but also the countless thousands of civilians who were brutally murdered by the enemy or who died from lack of food and medical supplies. The men and women of the Philippines suffered through years of privation, starvation, and humiliation, only in the end to have the Japanese wreak their hated vengeance upon the innocent. Cities were sacked, business centers razed, the entire country prostrated by the havoc of war. Today 18,000,000 Filipinos await the aid of the United States which is necessary for the rehabilitation of a people economically and physically desolated.

On January 6, 1942, within a month after Pearl Harbor, President Roosevelt stated:

It was bitter for us not to be able to land a million men and a thousand ships in the Philippine Islands. But this adds only to our determination to see to it that the Stars and Stripes will fly again over Wake and Guam, and that the brave people of the Philippines will be rid of Japanese imperialism and will live in freedom, security, and independence.

The Stars and Stripes fly over Wake and Guam. Japanese imperialism has been destroyed forever. The Filipinos live not under the threat of the sword but as the nation among the allied nations of the world which perhaps suffered most in the cause of liberty and justice. They live, but they cannot continue to live in the promised freedom, security, and independence if they are to be the unaided victims of starvation and famine, without clothing, without homes,



without marts, without the bare necessities of human existence. America, speaking through their President in the early days of the war, uttered no mere idle words. The help to be extended to the Filipinos to enable them to live in peace and independence was to be real, not imaginary, actual not theoretical. America has never broken bond. America will not fail in the matter of Philippine rehabilitation.

The history of the relationship between America and the people of the Philippines relates the proud story of two peoples and two nations keeping faith with each other. Each, confident in the other, through cooperative leadership, counted the other a friend. The United States and the leaders of the Filipino people for many long years provided facilities in the islands for education, health, and the common weal of the Filipino, with the definite thought that after a period of local autonomy under a commonwealth form of government with its own constitution, complete independence of the Philippines would be consummated. Then came the day of infamy and the treachery of Japan.

Throughout the ordeal of fire and war, the brave people of the Philippines stood shoulder to shoulder with America in every battle. Who is there with memory so short that he forgets Bataan and Corregidor? There a handful of American combat troops, Filipino scouts, and Filipino reserves in heroic battle fought the enemy of mankind until weapons fell from hands made impotent through fatigue and these valiant men and women, the bravest of the brave—gave way before the foe—not in defeat—but in despair that the flag of America could not continue in glorious permanence over the land for which this Nation gave of its fortune and its blood. No. The bravery and sacrifice of the Filipinos in the cause of free mankind helped keep alive the fires of freedom the world over. Their cross shall not have been borne in vain. America will not forget the courage and devotion of the Filipino whose example established for his country a place among the free nations of the world. Let us not forget that they with us were glorious in an army which won the commendation "No army has ever done so much with so little."

The Filipinos have been assured by our Government that their freedom will be redeemed and their independence established and protected. We have pledged the entire resources of the United States to their redemption.

President Truman has on different occasions paid tribute to the gallantry and courage of the Filipinos. On February 20, 1945, in commenting upon the status of Philippine Army veterans, he stated:

I consider it a moral obligation of the United States to look after the welfare of the Philippine Army veterans.

Again on March 16, 1946, he stated:

The Philippines are scheduled to become an independent republic on July 4 of this year. I am certain that the Philippine people are fully capable of assuming all the duties and obligations of self-government. I believe that these heroic people, out of their own devotion to democratic ideals, will eliminate from their material and political life all

those of questionable allegiance to those democratic ideals.

These words of our President, as those of other great Americans uttered in the past, have inspired courage and confidence in the people of the Philippines and given them the moral aid to carry on their fight for rehabilitation. These men and women have suffered in their loyal devotion to the United States. We send foreign countries food, clothing, money for rehabilitation, rebuilding and repair. We will not allow the factories, farms, and homes of the Philippines to remain in ruins. We will not stand idly by while the men and women of that country, so long nourished, guarded, and protected by our Government, suffer the confusion attendant upon frustration, uncertainty, and despair. Their national economy has been shattered. The Commonwealth government is helpless without our aid to move toward rehabilitation. We have for years promised. They have believed in our promises. We are obliged to fulfill our obligations. We must and we will help the Filipinos regain their economy so that they may, in justice, take their place as a healthy, strong, free, and liberty-loving democracy in accordance with the principles we have taught for 50 years.

This is our solemn duty. Therein we must not, we shall not fail.

The bill under consideration is a step in America's keeping faith with the people of the Philippines, who, during the years they have been under the jurisdiction of our country, and especially in view of the relationship that existed during the war, for all practical purposes have been just as much Americans as those of us who are actually citizens of the United States.

Mr. BELL. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. MILLER].

[Mr. MILLER of California addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

#### INDEPENDENCE FOR THE BRAVE FILIPINOS

Mr. BELL. Mr. Speaker, I yield such time as he may desire to the distinguished gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] already has stated that the Filipino people are entitled to all the aid and assistance provided in this bill, because they are the outstanding Christian nation in that part of the world.

Knowing, Mr. Speaker, that nearly all of these brave and gentle people had been converted to Catholicism some three or four centuries ago, it was for that reason I introduced in Congress, almost 20 years before the gentleman from Mississippi came to this House, a resolution providing for their independence and guaranteeing their neutrality against the threat of Japanese aggression, which I feared even then.

Consequently, I am immensely pleased that this great Nation of ours is according to the Filipinos the aid and as-

sistance authorized in this bill, and that on this coming July 4 we shall finally grant to the new republic of the East that full independence for which they have been waiting, praying, working, and fighting for almost a half century, after long, long years of oppression by the Spanish conquerors, four decades of helpful government by the United States, and four frightful years of inhumane and barbarous treatment by the murderous, heartless Japs, which destroyed nearly all their belongings, their trade, their resources, and left them in deplorable and unfortunate circumstances.

The aid we are making available in this bill is absolutely necessary to assist them in the rehabilitation of their country and their economy. Ever since the Spanish-American War I have studied the history of the people of the Philippine Islands, and I have come to the conclusion, not only that they are good Christians, but that they practice the teachings of real Christianity. Unlike some who talk but unfortunately do not practice the teachings of Christ. They are charitable, honest, industrious, and that they have appreciated the aid we have given them in the past, and have proved themselves worthy and capable of self-government, is conceded by all.

We who have known their Resident Commissioners in Congress—courageous Manuel Quezon, who became President of the Commonwealth and gave his life to his country as surely as if he had fallen in battle; brave Joaquin Elizalde; and the present gallant Commissioner, General ROMULO—have recognized the true worth, the sincerity, and intrepid honesty, the intelligence and energy of the Filipino people, and have realized they are fully capable of independence and self-government, notwithstanding charges to the contrary. I am proud that I have been able to aid the independence of the Philippines, just as, after the First World War, I was able to aid the birth of small independent nations—Czechoslovakia, Poland, and others—in Europe.

I hope, Mr. Speaker, that other great nations may follow our example, and do what we have done in Cuba and in the Philippines, if the dependencies desire their freedom; or as I hope we shall do in the near future for Hawaii, for Alaska, for Puerto Rico, and grant the full statehood they are pleading for.

I am fervently hoping that the aid and assistance provided for in this bill will mitigate the suffering of the Filipino people, and I know that in the near future they will prove their appreciation and their satisfaction with the amount we are providing. The bread we cast, not upon the water, but across a great body of water, will return to us manifold.

(Mr. SABATH asked and was given permission to revise and extend his remarks.)

Mr. WELCH. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. LEFEVRE].

Mr. LEFEVRE. Mr. Speaker, I very strongly favor this legislation. I do not believe it is necessary to again go into detail describing the plight of the Philippines as a result of the war. Every Member of the House heard the eloquent



speech of General ROMULO and other Members of the House relate the existing conditions when we had before us the Philippine trade-relations bill, only a few days back.

The Filipinos today are confused and puzzled. They look at their devastated lands, their ruined homes, and cannot understand what has paralyzed their national economy.

In the bill before us, we are providing ways and means to help rebuild the Philippines. For the hardships they have and still are suffering, and the loyalty shown throughout the war, they are entitled to our fullest support. The bill provides that a half-billion dollars of war-damage payments will be used to reconstruct and repair homes and buildings made useless by fire and shell during the war. All of the money appropriated must be reinvested in the Philippines to insure the replacement of the necessary facilities to carry out the purposes of the act.

This legislation is long overdue and I sincerely hope this measure is approved by our body today.

We must bear in mind that the eyes of the other great nations of the world are upon us. These Oriental people are our friends and will, without a doubt, be our best customers. The Filipinos held firmly to their faith in democracy throughout the war. They fought for it even through those blackest of days when the islands were dominated by the Japanese. We must, in every way, help this new democracy reach success.

Mr. WELCH. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Speaker, I am strongly in favor of the passage of S. 1610. The economy of the Philippines as well as the educational and spiritual institutions lay prostrate, ravaged and destroyed, as a result of the loyal support to the United States in our war with Japan. It should be the duty and obligation of the United States to assist in rehabilitating the Philippines. We recently passed a bill to provide proper trade relations between the Philippines and the United States. We should now pass this bill so that the economy, education, and cultural institutions may be reestablished. The Philippines will become a free and independent nation on July 4. We should help them take their place among the nations of the world. They have earned this support and our confidence.

Mr. WELCH. Mr. Speaker, I yield as much time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, it is a profound privilege and a very great pleasure for me to rise, today, and speak a few words in favor of the passage of this measure, S. 1610, which will aid in the rehabilitation of the Philippine Islands, and the good people who inhabit those islands. I have just listened to Delegate CARLOS ROMULO, who represents the Philippine Islands, who has presented the urge and great need for the passage of this measure in forcible fashion. He is one of the greatly loved persons in this lawmaking body. He

has served his people and his country well in time of war, and in time of peace. I first became acquainted with the achievements of Delegate ROMULO through the agency of Rotary International, and I discovered that his activities in all worth-while civic matters have been outstanding. Since he came to this body, his activities have been such as to give to him a mark of distinction. He is honored and revered by every Member of this body—and I take great pleasure in extending to him, today, this well-earned tribute.

Mr. Speaker, this pending legislation should be passed by this body. While the Philippine Islands will soon be granted their independence, and when that glad-some day arrives, I am confident the people of those far-flung islands will experience extreme happiness—and my wish to them is that they will make great progress in the days and years to come. My wish for them is that they will go forward, unhampered and untrammelled, throughout the years to come in an unbroken trend of progress toward the goal of perfection in human accomplishment.

This measure, Mr. Speaker, will lend aid in making possible that opportunity. It is a privilege for me to add my support to this legislation. The people of the Philippines have long been our friends, both in peace and in war. They have suffered untold misery and hardships in the late war, but they have ever gone forward with us, until ultimate victory was ours. Their people have been injured and killed in this war, and their houses and their homes have been destroyed; their businesses have suffered destruction, and their cities have been demolished; their possessions have been taken, and but little has been left to them save and except their grim determination to fight on for home and country and for the preservation of their native land. They have proven their valor and their fortitude, and they have never faltered in their march with us toward the ultimate victory that is ours. It is very little that we give to them in the face of that warm and sincere friendship that exists between us, when we seek to aid them in restoring and rehabilitating only in a small degree their country and their homes. I am confident, Mr. Speaker, that it is the wish and the will of every American that we do this. It would be unthinkable for our country to turn our backs upon our loyal and fast friend, and our Nation will never do that. We are ever agreeable to rewarding our friends, and especially those who need our help most. So this measure will accomplish this purpose in a small way, and I will give to it my warm and wholehearted support.

Mr. Speaker, as the years pass, and the centuries come, we will be looking forward toward the Philippines, and when those islands, now almost destroyed and her cities reduced to mere shambles, lift their head as one of the progressive groups of the world, with freedom, liberty, and independence theirs, a touch of extreme happiness will certainly come to all Americans; that happiness which comes to those who have aided others in

time of great need and distress. Ours will then be a happy day to all those who then remain, because we have been instrumental in a small way in aiding our friends, those in the far Pacific, who have been so loyal to us.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, the shooting part of World War II is over, but there is a fierce political and ideological war going on all over the world to determine who really won the shooting war. I think historians will eventually agree that more than anything else World War II all along was a war to determine who is going to control the development of Asia because the greatest undeveloped areas in the world are in Asia—manpower, resources, and markets. Hitler frankly admitted that. The Japanese admitted it. The Russians, by their actions, have proven they are fully aware of it. The British, Dutch, and French, by their vigorous attempts to restore their empires in Asia, have made clear they understand that World War II will have been won by the nation or nations whose ideas ultimately dominate in the reconstruction of Europe and the development of Asia. We should understand it, too.

There are about four possibilities. This bill can have a great deal to do with deciding which will prevail.

Will large sections of Asia be forced back into the colonial pattern under the old empires of Europe? If that happens, Asia will explode, and explode in our faces as much as in the faces of the British, Dutch, and French.

Second, will millions of people in Asia in despair be driven to accept the basic thesis that the Japanese propagandists proclaimed, namely, that the white man never has treated and never will treat decently the colored peoples on this earth and, that therefore, there was and is no hope for the peoples of Asia unless they unite against the white peoples. Japan failed in her original attempt to bring about this division of the world along racial lines. But her basic idea has not been defeated. It took root in fertile soil in Asia, and other parts of the world, too. It can spring up again if there is not vigorous, positive, and effective leadership in other directions.

The third possibility is that Asiatics will be intrigued or beguiled into accepting totalitarianism of the communistic pattern. If they do they will find themselves not "liberated" from the old imperialisms, but merely put under the new imperialism which Russia is imposing on her neighbors—as cruel and ruthless an imperialism as any ever established by the old empires of Europe. Such a course would not be good ultimately for Russia, nor for Asia, nor for us, nor for world peace.

Or, will the peoples of Asia be given the chance to develop more nearly along the truly democratic pattern worked out and established in the Philippines through the joint efforts of Filipinos and Americans over this 50-year period of friendly relationship? It began as overlordship, moved rapidly to trusteeship, and on July 4 will become full-



fledged partnership. All Asia watches eagerly this transition, unprecedented in all of human history. There is no question but that it is the general pattern which other Asiatics want, too.

In dealing with this legislation today, we ought to keep clearly in view above the trees of its immediate provisions, the whole forest—the long-term implications for all of Asia and for the world. This experiment in helping establish on its own feet one of the so-called dependent peoples is one of the most significant occurrences in the history of the human race on this planet. That is the larger significance of the legislation before us.

The transition to full independence would have been difficult enough under the best circumstances. How much harder now, when the Philippines are prostrate because of the terrible destruction and dislocations of war. An almost impossible burden has been placed upon them, and it was made heavier because of their unswerving loyalty to us.

I need not discuss the bill in great detail. First, it authorizes up to \$400,000,000 for war damage, with payments only to those who will use the money or materials to restore or rehabilitate their property or industry or education or other useful activities in the Philippines. As you will remember, we ourselves committed most of the physical destruction in the process of driving the Japanese out. It was necessary. Nobody holds it against us. Nevertheless, it was American guns and planes rather than Japanese which did most of the damage.

Second, it provides for use of much of our surplus property in the Philippines to help in rehabilitation. Up to \$100,000,000 worth of it can be transferred without reimbursement to the Philippine government and to the provincial and municipal governments to rebuild their public buildings and property, their streets and bridges, their utilities, their water, and gas and sewage systems that have been destroyed in the war. Also, other surplus property there can be disposed of under the terms of the Surplus Property Act, just as it is disposed of here, with certain special provisions to deal with the special situations there.

In addition, we authorize up to \$120,000,000 to help restore and reestablish the essential public services in the Philippines, including roads, harbor facilities, public health, interisland commerce, fisheries, coast and geodetic surveys, weather bureau, and so forth.

The SPEAKER. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

Mr. WELCH. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. JUDD. I believe it is good sense to pass this bill for the economic reasons, which have been reviewed by the able chairman of our committee the gentleman from Missouri [Mr. BELL]. The Philippines can be again a market of great importance for ourselves. We need them as well as they need us.

It is also good sense for political reasons, from the standpoint of our national security. In the years ahead we are going to need friends in this world, and the Filipinos are the only so-called colonial or dependent people—although that is

not an accurate description of the relationship which prevailed—who fought loyally by the side of those who had originally been their masters. There is no better way to retain our friends in Asia and gain others than to show in peace as well as in war that we are worthy of the Filipinos' friendship.

But beyond these economic and political reasons there is a higher reason, a moral reason. We have a sacred obligation to these who have been our wards in a very special sense. Even if it were against our immediate economic interests I would still say we should pass this act. Fortunately in this instance, the thing we ought to do for political and economic reasons coincides with what we ought to do for moral reasons.

I doubt that \$400,000,000 will ultimately be enough and I want the RECORD to show that fact. We in the committee recognize that we may have to increase the amount somewhat. We were conservative in our estimate. We said, let us authorize this amount now until we see how things go. If another hundred million or even two hundred million is eventually needed to put the Philippines back on a sound basis. I am sure we will do it, because it is good business, it is good protection for the United States and for world peace, and it will help determine which way a billion people in Asia are to go, whether back into the old colonial pattern which they do not want; or driven into the racial pattern which they do not want; or persuaded by force to take communism which they do not want; or whether they will have a chance at genuine democracy, more nearly after the pattern that we and the Filipinos have succeeded in establishing during these 50 years of our mutually beneficial friendship—which is what the people of Asia do want, overwhelmingly.

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Speaker, this bill has had careful consideration by the Committee on Insular Affairs for several weeks. As everyone knows, this bill does not in itself grant independence to the Philippine Islands. It is only part of the program of independence. We passed an election bill some time ago. Last week we passed the trade relations bill. This bill, now under consideration, known as S. 1610, passed by the Senate last December and recently before the Insular Affairs Committee, undertakes to restore, rehabilitate, and reconstruct the economy and industry of the Philippine Islands.

As the gentleman from Minnesota [Mr. JUDD] said, \$400,000,000 probably will not do the entire job. I wish to say a word of commendation for the work of the chairman of the committee the gentleman from Missouri [Mr. BELL], who has done a splendid job in holding the hearings and considering the problems of the Philippines. He has had the assistance of the gentleman from California, the ranking member of the committee [Mr. WELCH] and the very valuable assistance of our colleague from the Philippines

[Mr. ROMULO], and also that of the gentleman from Minnesota [Mr. JUDD], and other members of the committee. Mr. Paul McNutt, High Commissioner of the Philippines, was present at the hearings before the committee, not once but a number of times, and give us valuable assistance.

The Philippine Islands, I believe, is the only place under the American flag that suffered devastation by reason of enemy invasion. Of course, there was the one treacherous attack at Pearl Harbor on December 7, 1941, but the enemy actually came into the Philippine Islands, occupied the islands, devastated the country, and destroyed property and lives.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. LECOMPTE. I yield.

Mr. COLE of New York. It is not important, but I should like the gentleman not to overlook the damage that was done to Guam.

Mr. LECOMPTE. That is true, but I think the gentleman will agree that the damage there was not comparable in amount to that suffered in the Philippine Islands. Probably the same could be said of Wake and Midway.

It is correct and proper that we undertake to restore the economy of the islands as we grant them independence.

Mr. Speaker, I am not in full accord with some of the provisions of the bill. I myself think it is a mistake to fix the salary of the Commissioners at \$12,000 a year, more than Members of Congress receive, more than Senators receive, and write into the bill a provision allowing them to fix their own per diem expenses without any limitation whatever. They could put in a bill for \$50 a day for expenses continuously if they wanted to do that. I realize that the High Commissioner, Mr. McNutt, said that he felt the unlimited expense account is necessary in order to get the right kind of men, and under conditions of inflation as they exist in the islands today, it is possible that a stipulated per diem might not be as exact as one could wish, but to me it does not seem justifiable to place in the bill this language:

Members of the Commission shall receive their necessary traveling and other expenses incurred in connection with their duties as such members or a per diem allowance in lieu thereof to be fixed by the Commission without regard to the limitations prescribed in any existing law.

That is a pretty liberal expense account. Further, we also permit the Commission to appoint and fix the compensation and allowances of attorneys, officers, employees, and so forth, without any reference to the civil-service laws or Classification Act.

On the whole, however, Mr. Speaker, I believe this is a fine bill, and I believe it is going to be helpful in the years to come in our happy relations with the Orient.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. WELCH. Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I wish to join the majority floor leader and other Members of the House in paying tribute



to Gen. CARLOS P. ROMULO, a hero of Bataan, the Resident Commissioner of the Philippine Islands, who came to this Chamber today from his sick bed to help passage of this legislation. His eloquence in explaining the needs of the Philippines has won much help in passage of this kind of legislation.

Mr. Speaker, the passage of this legislation, when the news reaches the Philippine Archipelago, will bring a real ray of sunshine to the stricken Philippine people. This news to the Philippines will make possible on the next Fourth of July one of the greatest Independence Day celebrations in history.

(Mr. STEFAN asked and was given permission to revise and extend his remarks.)

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I am very much interested in this bill and I am also interested in the Philippine Islands and its people. I am desirous that we start those people on the road to rehabilitation and I want to help them as well as people all over the world. However, I am also desirous of looking after the welfare of our own country; of keeping our Nation solvent.

On page 12 of the bill the first amount considered was \$330,000,000, which was increased to \$400,000,000. The expense of the Commission was estimated to be one and a half million dollars, which was later changed to \$4,000,000. They have increased this a considerable amount over what they evidently thought was necessary when the hearings were concluded. Just the disposition to be generous with the other fellow's money, the taxpayer's money.

We want to help those people until they get their independence on July 4 and for the 5 years thereafter during which time this bill will be in effect, but, Mr. Speaker, the Congress of the United States must remember that every time it appropriates \$400,000,000 it has got to find \$400,000,000 in the way of taxation. We should not, therefore, give the Philippine people the idea that after this bill is passed they can expect we are going to furnish everything that is necessary from that time on. There must be a terminating date as the conclusion of our responsibilities implied by any legislation we pass or statement made by any Government official.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Minnesota.

Mr. JUDD. Does not the gentleman know that a termination date is set for claims to be paid by the War Damage Commission, which represents the largest amount under the bill, \$400,000,000? Its work is to be concluded within 5 years. May I also add: The gentleman will agree the Philippines by their loyalty to us saved our country \$4,000,000,000 in the war, if not forty billion.

Mr. RICH. Well, I do not know how the gentleman arrives at that figure.

Mr. JUDD. To say nothing of American lives saved by their loyalty.

Mr. RICH. When we come to figuring good will and Christian brotherhood, of

course, we have our responsibilities to the Philippines and to all nations of the world and to our own people in America.

Mr. JUDD. I am speaking not about good will in the future but about performances in the past.

Mr. RICH. Well, we have been very good godfathers to the Filipinos in the past.

Mr. JUDD. And they have been mighty good brothers in arms to us.

Mr. RICH. The gentleman is quite correct, but, perhaps there is something else involved. We were all fighting for a common cause. I hear many statements made about the great help and assistance that other countries gave the United States, but I am constrained to believe, while appreciating their great assistance, that they were also fighting for their own preservation. Perhaps it could be argued with force that the United States and its people rendered these countries assistance in that regard.

But, be that as it may, Mr. Speaker, may I call attention to the fact that the United States is now in debt to the extent of \$274,386,382,040.14 as of April 5. You may chide me for bringing that up at this time, but this deficit is such a serious matter that I cannot help but bring it up, a bankrupt nation cannot help anybody financially, and in this connection I want to quote what the chairman of the House Judiciary Committee—and he is a Democrat—said on this floor a few days ago:

By concentration of governmental power and drafts upon the Federal Treasury, we have now a financially busted, great piled-up mass of governmental confusion beyond human comprehension, impossible of democratic control, extravagant, wasteful, inefficient, and by its nature the instrumentality of favoritism, tyranny, oppression, and corruption, and the destroyer of the self-reliance and self-respect and governmental capacity of the people, qualities without which no people can remain free.

That statement comes from a Democrat and a chairman of one of the powerful committees of this House.

The point I want to make, Mr. Speaker, is that while we owe an obligation, not only to the Philippines and to all the governments of the world, we owe a greater obligation to ourselves. These countries are going to come in here with the big tin cup, as was suggested a few days ago by the gentleman from Illinois [Mr. DIRKSEN], asking for \$3,000,000,000, \$400,000,000, or \$500,000,000. If we are not going to become a "financially busted" country, it is your responsibility and my responsibility to see that America remains strong so that we may continue to aid and assist other countries. A busted nation can help no one. Let us be cautious, be careful, and be wise.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. BELL. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, this is a bill for rehabilitation of the Filipino people, who are familiarly known to us as our wards. They are rightfully called the gem of the Orient. Their recent suffering entitles them to our utmost consideration and such minor expression of appreciation for their loyalty and efforts

as are reflected in this bill. It was General MacArthur who said "I will return," and this is the return of the American people to their friends in the far-off Pacific. This action of ours will bring forcibly to the minds of these people so far removed from us the love and devotion of this country, and I am happy to be able to say a word at this time in reference to this measure.

(Mr. RABAUT asked and was given permission to revise and extend his remarks.)

The SPEAKER. The Clerk will read the bill and the committee amendments.

The Clerk read as follows:

*Be it enacted, etc., That this act may be cited as the "Philippine Rehabilitation Act of 1945."*

#### TITLE I—COMPENSATION FOR WAR DAMAGE

SEC. 101. (a) There is hereby established a Philippine War Damage Commission (in this title referred to as the "Commission"). The Commission shall consist of three members, to be appointed by the President of the United States. One of the members of the Commission shall be a Filipino. The members of the Commission shall receive compensation at the rate of \$10,000 a year. The terms of office of the members of the Commission shall expire at the time fixed in subsection (d) for winding up the affairs of the Commission. A vacancy in the membership of the Commission shall not impair the authority of the remaining two members of the Commission to exercise all of its functions. Vacancies occurring in the membership of the Commission shall be filled in the same manner as in the case of the original selection. Members of the Commission shall receive their necessary traveling and other expenses incurred in connection with their duties as such members, or a per diem allowance in lieu thereof.

(b) The Commission may, without regard to the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation of such officers and employees, and may make such expenditures, as may be necessary to carry out its functions. Officers and employees of any other department or agency of the Government may with the consent of the head of such department or agency, be assigned to assist the Commission in carrying out its functions. The Commission may, with the consent of the head of any other department or agency of the Government, utilize the facilities and services of such department or agency in carrying out the functions of the Commission.

(c) The Commission may prescribe such rules and regulations as are necessary for carrying out its functions, and may delegate functions to any member, officer, or employee of the Commission or of any other department or agency of the United States or of the Commonwealth of the Philippines.

(d) The Commission shall, so far as practicable, give consideration to, but need not await, or be bound by, the recommendations of the Filipino Rehabilitation Commission (created by the act approved June 29, 1944) with respect to Philippine war damage. The Commission shall wind up its affairs not later than 2 years after the expiration of the time for filing claims under this title.

SEC. 102. (a) The Commission is hereby authorized to make compensation to the extent hereinafter provided on account of physical loss of or damage to property in the Philippine Islands occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of one or more of the following perils: (1) Enemy attack (including action taken by or at the request of the military, naval, or air forces of the United States in resisting enemy attack); (2) action taken by enemy representatives, civil or military, or by the representatives of any



government cooperating with the enemy; (3) action by the armed forces of the United States or other forces cooperating with the armed forces of the United States in expelling the enemy from the Philippine Islands; (4) looting, pillage, or other lawlessness or disorder accompanying the collapse of civil authority or incidental to control by enemy forces: *Provided*, That such compensation shall be payable only to qualified persons having, on December 7, 1941 (Philippine time), and continuously to and including the time of loss or damage, an insurable interest as owner, mortgagee, lien holder, or pledgee in such property so lost or damaged: *Provided further*, That any qualified person who acquired any deceased person's interest in any property either (1) as heir, devisee, legatee, or distributee, or (2) as executor or administrator of the estate of any such deceased person for the benefit of one or more heirs, devisees, legatees, or distributees, all of whom are qualified persons, shall be deemed to have had the same interest in such property during such deceased person's lifetime that such deceased person had: *Provided further*, That no payment or payments shall be made in an aggregate amount which exceeds whichever of the following amounts, as determined by the Commission, is less: (a) The actual cash value, at the time of loss, of property lost or destroyed and the amount of the actual damage to other property of the claimant which was damaged as a direct result of the causes enumerated in this section; (b) the cost of repairing or rebuilding such lost or damaged property, or replacing the same with other property of like or similar quality: *Provided further*, That in case the aggregate amount of the claims which would be payable to any one claimant under the foregoing provisions exceeds \$500, the aggregate amount of the claims payable to such claimant shall be reduced by 25 percent of the excess over \$500.

(b) When used in this section, the term "qualified person" means—

(1) any individual, who on December 7, 1941 (Philippine time), and continuously to the time of filing claim pursuant to this title, was a citizen of the United States or of the Philippine Commonwealth or of the Philippine Republic;

(2) any individual, who at any time subsequent to September 16, 1940, and prior to August 14, 1945, served honorably in the armed forces of the United States or of the Philippine Commonwealth, or honorably performed "service in the merchant marine" (as defined in the first section of the act entitled "An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes", approved June 23, 1943);

(3) any church or other religious organization; and

(4) any corporation (or, upon dissolution, its successor if it satisfies the requirements of this paragraph (4) organized pursuant to the laws of any of the several States or of the United States or of any Territory or possession thereof (including any corporation, or sociedad anonima organized pursuant to the laws in effect in the Philippine Islands at the time of its organization), but excluding any corporation wholly owned by the Commonwealth of the Philippines (or the Philippine Republic).

Sec. 103. The Commission shall make no payment under the provisions of this title—

(a) to any enemy alien;

(b) to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy, or of any act involving disloyalty to the United States or the Philippine Commonwealth;

(c) to any corporation, or sociedad anonima owned or controlled by any of the persons specified in clauses (a) and (b) of this section;

(d) to compensate for any loss of or damage to property which, at the time of loss or damage, was insured against any one or more of the perils specified in section 102 hereof, except to the extent that the loss or damage exceeds the amount of such insurance, whether or not collectible;

(e) to compensate for any loss or damage—

(1) for which the War Department or the Navy Department is authorized to make payment, or

(2) for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid, by the Philippine Government, or by the United States Government or by their respective departments, establishments, or agencies,

unless the Government, department, establishment, or agency concerned has declined to pay compensation or indemnity for such loss or damage;

(f) unless the claimant shall file with the Commission, within 9 months after the enactment hereof, a claim in reasonable conformity with the requirements of this title and such reasonable regulations as shall be established by the Commission.

Sec. 104. (a) No claim shall be paid unless approved by the Commission or its authorized representatives, and on account of each claim so approved the Commission may make immediate payment of (1) so much of the approved amount of the claim as does not exceed \$500 or 1,000 Philippine pesos, plus (2) 80 percent of the remainder of the approved amount of the claim. After the time for filing claims has expired, the Commission shall determine the amount of money available for the further payment of claims. Such funds shall be applied pro rata toward the payment of the unpaid balances of the amounts authorized to be paid pursuant to section 102 of this title.

(b) Of the funds appropriated for the purpose of paying compensation under this title, \$5,000,000, \$10,000,000 shall be set aside for the payment of claims filed by churches and other religious organizations on account of loss of or damage to property consisting of churches, parish houses, and other property devoted to religious purposes (excluding schools, hospitals, and other charitable institutions). Subsection (a) of this section shall not be applicable with respect to claims filed by churches and other religious organizations with respect to such property; but, after the time for filing claims has expired, the funds set aside pursuant to this subsection shall be applied pro rata toward paying such amounts as are authorized to be paid pursuant to section 102 with respect to claims filed by churches and other religious organizations with respect to such property, and shall be applied without discrimination to the proportional payment of all allowable claims filed by churches and other religious organizations with respect to such property. No payments with respect to such claims shall be made except from the funds set aside pursuant to this subsection.

(c) The Commission may, at its option, make payment, in whole or in part, of the amount payable in the case of any claim authorized to be paid under this title by rebuilding or repairing lost or damaged property, or replacing it with other property of like or similar kind. The amount expended for such purpose in any case, including the fair value of property transferred to the claimant, shall be deemed to have been paid to the claimant on account of his claim, and such amount shall in no case exceed the amount authorized to be paid under this title on account of such claim. The Commission is authorized to acquire such property, to have such work done, to make such contracts, and to take such other action as may be necessary for the purposes of this subsection.

(d) All of the provisions of this title shall be subject to the requirement that, to the

fullest extent practicable, the Commission shall require that the lost or damaged property be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this title.

Sec. 105. Not later than 6 months after its organization, and every 6 months thereafter, the Commission shall make a report to the Congress concerning operations under this title.

Sec. 106. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amount of \$330,000,000 for the purposes of paying compensation to the extent authorized by this title, and of such sum, not to exceed \$1,500,000 shall be available to pay the expenses of the Commission.

(b) Any sums received by the United States from the Japanese Government or the Japanese people by way of reparations or indemnity on account of the war—

(1) shall be covered into the Treasury of the United States until the sums so covered into the Treasury are equal to the sum of the amounts appropriated for the payment of compensation under this title and the amounts appropriated for carrying out the purposes of title II of this act;

(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, one-half of any further sums so received by the United States from the Japanese shall be covered into the Treasury of the United States and the other one-half shall be paid to the government of the Commonwealth of the Philippines (or the Philippine Republic) until the amount so paid to such government plus the amounts appropriated for the payment of compensation under this title and the amount appropriated for carrying out the purposes of title III are equal to the amount estimated by the Commission to represent the total loss of and damage to real and tangible personal property in the Philippine Islands from the causes enumerated in section 102 (a); and

(3) thereafter shall be covered into the Treasury of the United States.

Sec. 107. Whoever, in the Philippine Islands or elsewhere, makes any statement or representation knowing it to be false or whoever willfully overvalues loss of or damage to property, for the purpose of obtaining for himself or for any claimant any compensation pursuant to this title, or for the purpose of influencing in any way the action of the Commission with respect to any claim for compensation pursuant to this title, or for the purpose of obtaining money, property, or anything of value under this title, shall, upon conviction, be punished by a fine of not more than \$5,000 or by imprisonment for not more than 2 years, or both.

Sec. 108. No remuneration on account of services rendered or to be rendered to or on behalf of any claimant in connection with any claim for compensation pursuant to this title shall exceed 5 percent of the compensation paid by the Commission on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the Philippine Islands or elsewhere, receives on account of services rendered or to be rendered in connection with any claims for compensation hereunder, any remuneration in excess of the maximum permitted by this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000 or imprisoned for not more than 6 months, or both.

Sec. 109. Except as lawfully provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation pursuant to subsection (a) of section 5g of the Reconstruction Finance Corporation Act, as amended, the authority herein granted to the Philippine War Damage Commission shall be in lieu of and shall supersede all authority previously conferred on the War Damage Corporation to furnish protection or pay com-



pensation with respect to property situated, at the time of loss or damage, in the Philippine Islands, and the protection authorized to be extended and the compensation authorized to be paid by the Philippine War Damage Commission shall be in lieu of all protection heretofore extended or authorized to be extended by the War Damage Corporation with respect to property situated, at the time of loss or damage, in the Philippine Islands, except to the extent provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation. The War Damage Corporation is hereby prohibited from providing for or paying compensation for war damage in the Philippine Islands except to the extent provided in its policies of insurance heretofore or hereafter issued in consideration of a premium paid therefor.

SEC. 110. The classes of property enumerated in this section, whether situated in the Philippine Islands or elsewhere, are hereby excluded from protection, compensation, or consideration under this title, and the Commission shall not make any payment, directly or indirectly, on account of loss of or damage to such classes of property:

(1) Accounts, bills, records, films, plans, drawings, formulas, currency, deeds, evidences of debt, securities, money, bullion, furs, jewelry, stamps, precious and semiprecious stones, works of art, antiques, stamp and coin collections, manuscripts, books and printed publications more than 50 years old, models, curiosities, objects of historical or scientific interest, and pleasure aircraft;

(2) Vessels and watercraft, their cargoes and equipment, except (a) vessels used or intended to be used exclusively for storage, housing, manufacturing, or generating power, (b) vessels while under construction until delivery by the builder, or sailing on delivery or trial trip, whichever shall first occur, and (c) vessels propelled by sail;

(3) Real property (other than standing timber, growing crops, and orchards) not a part of a building or structure;

(4) Intangible property;

(5) Passenger-carrying motor vehicles except those used principally for commercial purposes;

(6) Property diverted to the Philippines, by authority of the United States Government or otherwise, as a result of war conditions; and

(7) Property in transit (a) which at the time of loss or damage was insured against war perils, or (b) with respect to which insurance against such perils was available, at the time of loss or damage either at reasonable commercial rates or from the United States Maritime Commission.

SEC. 111. All departments, commissions, offices, agencies, and instrumentalities of the United States Government, upon the written request of the Commission, are authorized to make delivery and conveyance to designated claimants, or to the Commission, of any surplus property of the United States in the Philippine Islands deemed by the Commission to be similar to that for which compensation is requested, or to be suitable for the rebuilding or repair of the property damaged or destroyed. The transfer of such property to such claimants shall be at the fair value of the property as fixed by the disposal agency. The Commission shall pay such fair value to the disposal agency.

SEC. 112. The War Damage Corporation is authorized and directed to consult with, and in every manner possible to assist and cooperate with, the Commission, to aid the Commission in its performance of duties hereunder, and to make available to or deliver to the Commission all records, claims, files, and other documents in its possession pertaining to Philippine claims. The Commission is authorized to give such weight as it may deem proper to any reports, certificates, or recommendations of the War Dam-

age Corporation, or its adjusters or claims service offices.

SEC. 113. The Commission shall notify all claimants of the approval or denial of their claims, and, if approved, shall notify such claimants of the amount for which such claims are approved. Any claimant whose claim is denied, or is approved for less than the full allowable amount of said claim, shall be entitled, under such regulations as the Commission may prescribe, to a hearing before the Commission or its representatives with respect to such claim. Upon such hearing, the Commission may affirm, modify, or reverse its former action with respect to such claim, including a denial or reduction in the amount of a claim theretofore approved. All findings of the Commission concerning the amount of loss or damage sustained, the cause of such loss or damage, the persons to whom compensation pursuant to this title is payable, and the value of the property lost or damaged, shall be conclusive and shall not be reviewable by any court.

#### TITLE II—DISPOSAL OF SURPLUS PROPERTY

SEC. 201. In order to expedite the disposition of surplus property of the United States in the Philippine Islands and to aid in—

(1) repairing and replacing buildings, equipment, and other property of the Commonwealth of the Philippines and other governmental units in the Philippines, in cases where such buildings, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise restoring and facilitating the normal operations of governmental units in the Philippines;

(2) restoring and providing essential public buildings, services, works, and utilities, including hospitals, schools, and other institutions furnishing essential health and welfare services, in the Philippines; and

(3) rehabilitating the economy of the Philippines and aiding and encouraging private enterprise in such economy;

The Department of State, the disposal agency for the Philippines designated under the Surplus Property Act of 1944, acting through the Foreign Liquidation Commissioner (hereinafter referred to as the "Commissioner"), is hereby authorized, notwithstanding any other provision of law, to transfer to the Commonwealth of the Philippines, without reimbursement, property of the United States now or hereafter located in the Philippine Islands and declared surplus under the Surplus Property Act of 1944, upon such terms and conditions, including the use or disposition of such property by the Commonwealth of the Philippines, as the Commissioner may deem appropriate to carry out the purposes of this title.

SEC. 202. At the time any such property is so transferred to the Commonwealth of the Philippines, the Commissioner shall make a record of (1) the items transferred, (2) the condition of such items, and (3) his estimate of the fair value of such items. The Department of State shall furnish a copy of such record to the Surplus Property Administrator, and shall also make quarterly reports to the President and the Congress concerning the administration of this title.

SEC. 203. Any surplus property now or hereafter located in the Philippines which is not transferred to the Commonwealth of the Philippines, under section 201, may be disposed of by the Commissioner by sale, upon such terms and conditions as the Commissioner determines to be best suited for achieving the purposes stated in section 201, and without regard to other provisions of law relating to the sale or disposition of property of the United States. Any such sale may be made for a consideration greater or less than the fair value of the property concerned. In making such sale, the Commissioner may accept pesos as consideration. Any such surplus property which has not been disposed of by the Commissioner may be

requisitioned by any other department or agency of the United States for its own use; and, upon the receipt of any such requisition, the Commissioner shall transfer such property to the requisitioning department or agency upon reimbursement of the fair value thereof. The proceeds derived from any disposal of surplus property by the Commissioner under this title shall be covered into the Treasury of the United States. If the consideration upon any disposal of property by the Commissioner be other property, such other property may be disposed of by the Commissioner in the same manner as surplus property located in the Philippines.

SEC. 204. No military weapons, munitions, or toxic gas, shall be transferred or otherwise disposed of under this title.

SEC. 205. The Commissioner is authorized to appoint an advisory committee to advise him upon the action to be taken by him under this title.

SEC. 206. The fair value of the property transferred to the Commonwealth of the Philippines under this title, as estimated by the Commissioner, shall not exceed \$30,000,000 in the aggregate.

SEC. 207. The Commissioner may prescribe such rules and regulations as may be necessary for the performance of his functions under this title, and may delegate and authorize successive redelegations of any authority conferred upon him by this title to any officer or employee of his agency or of any other department or agency of the United States or of the Commonwealth of the Philippines.

#### TITLE III—RESTORATION AND IMPROVEMENT OF PUBLIC PROPERTY AND ESSENTIAL PUBLIC SERVICES

SEC. 301. As a manifestation of good will to the Filipino people, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, (1) the sum of \$120,000,000, to be allocated from time to time by the President of the United States among the various programs set forth in sections 302, 303, 304, and 305, and (2) such additional sums as may be necessary to carry out the purposes of sections 306 to 311, inclusive.

##### Public roads

SEC. 302. (a) As recommended in a report based upon an investigation made in the Philippine Islands by the Public Roads Administration of the Federal Works Agency and to the extent that the findings in such report are approved by the President, the Public Roads Administration is authorized to plan, design, restore, and build, in accordance with its usual contract procedures, such roads, essential streets, and bridges as may be necessary from the standpoint of the national defense and economic rehabilitation and development of the Philippine Islands.

(b) The Commissioner of Public Roads is authorized, under such regulations as he may adopt, to provide training for not to exceed 10 Filipino engineers, to be designated by the President of the Philippine Islands from the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, maintenance, and highway traffic engineering and control necessary for the continued maintenance and for the efficient and safe operation of highway transport facilities.

##### Port and harbor facilities

SEC. 303. (a) As recommended in a report based upon an investigation made in the Philippine Islands by the Corps of Engineers of the United States Army and to the extent that the findings in such report are approved by the President, the Corps of Engineers is authorized to carry out a program for the rehabilitation, improvement, and construction of port and harbor facilities in the Philippine Islands, such work to be done by



contract, insofar as practicable, under the direction of the Secretary of War and the supervision of the Chief of Engineers, and in accordance with established procedures applicable to river and harbor projects.

(b) The Chief of Engineers of the Army is authorized, under such regulations as he may adopt, to provide training for not to exceed 10 Filipino engineers, to be designated by the President of the Philippine Islands from among the engineer officers of the Philippine Army and the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, improvement, and maintenance of port facilities and other works of improvements on rivers and harbors.

#### *Public property*

SEC. 304. The Philippine War Damage Commission, within the limits of the appropriations allocated to it for carrying out the provisions of this section, is authorized to compensate the Commonwealth of the Philippines (or the Philippine Republic), the provincial governments, chartered cities, municipalities, and corporations wholly owned by the Commonwealth of the Philippines (or the Philippine Republic), in the Philippine Islands, for physical loss of or damage to public property in the Philippine Islands occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of the perils listed in section 102 (a) hereof, in any case in which compensation for such losses or the rebuilding, repair, or replacement of the lost or damaged property is not provided for by the transfer of surplus property under section 201 hereof, or provided for under the provisions of this title other than this section or otherwise provided for by the United States Government or any department or agency thereof. To the fullest extent practicable, the Commission shall require that any lost or damaged property for which it decides to award compensation under this section shall be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this section. The Commission in its discretion may request the Federal Works Agency or the Corps of Engineers of the United States Army to undertake the rebuilding, repair, or replacement of property for which the Commission awards compensation under this section, and, from the funds available for carrying out the provisions of this section, may transfer to such Agency or Corps of Engineers the funds necessary to pay for the work requested. The Federal Works Agency and the Corps of Engineers are authorized to rebuild, repair, or replace property in accordance with any such request of the Commission and to expend the funds so transferred to them for such purpose. The Commission shall have full power to select, and fix the priority of, cases in which compensation will be awarded or property rebuilt, repaired, or replaced under this section, and to determine the amount of such compensation and the extent to which such property will be rebuilt, repaired, or replaced, taking into account the relative importance of various projects to the reconstruction and reconversion of the economy of the Philippine Islands and such other factors as the Commission deems relevant.

#### *Public health*

SEC. 305. (a) The Public Health Service of the Federal Security Agency is authorized to cooperate with the Government of the Philippine Islands, and with other appropriate agencies or organizations, in the rehabilitation and development of public health services and facilities throughout the Philippine Islands.

(b) To accomplish such purposes the Public Health Service shall at the earliest practicable time survey the health situation in the Philippine Islands, and is authorized to replace, expand, or install such health services and facilities in the Philippine Islands, as are deemed essential to preserva-

tion of health, and may assist in the rehabilitation and development of a Philippine quarantine service for prevention of introduction of disease from abroad or from one island to another. The Public Health Service may set up demonstrations and establish training centers in the Philippine Islands; may establish and maintain in the Philippine Islands a school or schools for the purpose of providing practical instruction in public health; and may, at any time prior to January 1, 1948, provide 1 year of training in appropriate schools or colleges in the United States to not more than 100 Filipinos, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in public-health methods and administration. It may replace equipment and supply reasonably necessary additional equipment, utilizing for this purpose, so far as possible, surplus property, and may recommend to the Commission the repair or construction under the provisions of section 304, at any time prior to July 1, 1950, of buildings deemed essential to the rehabilitation of public health and quarantine functions.

#### *Inter-island commerce*

SEC. 306. (a) In order to restore and improve inter-island commerce in the Philippine Islands the United States Maritime Commission is authorized to charter under such terms and conditions (including nominal rates of charter hire) vessels of less than 2,000 gross tons to individuals, corporations, or cooperatives or other forms of business organizations in the Philippine Islands if the Commission determines that they possess the ability, experience, financial resources, and other qualifications, necessary to enable them to operate and maintain the vessel in the inter-island commerce in the Philippine Islands: *Provided*, That any charter entered into under the authority of this section shall contain a provision requiring that the vessel shall be operated only in the inter-island commerce in the Philippine Islands.

(b) The Chairman, United States Maritime Commission, is hereby authorized to permit not exceeding 50 Filipinos each year, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), to receive instruction in the United States Merchant Marine Cadet Corps and at the United States Merchant Marine Academy at Kings Point, N. Y. The persons receiving instruction under authority of this section shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and subject to such exceptions as may be determined by the Chairman, United States Maritime Commission, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadet midshipmen at the Merchant Marine Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States merchant marine by reason of their graduation from the Merchant Marine Academy.

SEC. 307 (a) The Administrator of Civil Aeronautics of the Department of Commerce is authorized to acquire, establish, operate, and to maintain a system of air-navigation facilities and associated airways communications services in the Philippine Islands for inter-island airways operation and to connect the Philippine airways with international and interoceanic routes.

(b) The Administrator of Civil Aeronautics is authorized, under such regulations as he may adopt, to train not exceeding 50 Filipinos each year, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in air-traffic control, aircraft communications, maintenance of air-navigation facilities, and such other airman functions as are deemed necessary for the maintenance and operation of aids to air navigation and other services

essential to the orderly and safe operation of air traffic.

#### *Weather information*

SEC. 308. (a) The Chief of the Weather Bureau of the Department of Commerce is authorized to establish meteorological facilities in the Philippine Islands as may be required to provide weather information, warnings, and forecasts for general agricultural and commercial activities, including meteorological service for the air routes on which air-navigation facilities are operated by the Civil Aeronautics Administration, and to maintain such meteorological offices until the Philippine Weather Bureau is reestablished and in position to assume responsibility for the service.

(b) The Chief of the Weather Bureau of the Department of Commerce is authorized, under such regulations as he may adopt, to train not to exceed 50 Filipinos in the first year and not to exceed 25 Filipinos in each succeeding year, the trainees to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), and the training to include meteorological observations, analyses, forecasting, briefing of pilots, and such other meteorological duties as are deemed necessary in maintenance of general weather service, including weather information required for air navigation and the safe operation of air traffic. The training of these employees shall be in addition and not in lieu of Weather Bureau employees to be trained under current Weather Bureau appropriations.

#### *Philippine fisheries*

SEC. 309. (a) The Fish and Wildlife Service of the Department of the Interior is authorized to cooperate with the Government of the Philippine Islands, and with other appropriate agencies or organizations, in the rehabilitation and development of the fishing industry, and in the investigation and conservation of the fishery resources of the Philippine Islands and adjacent waters.

(b) To accomplish such purposes the Fish and Wildlife Service shall conduct oceanographic, biological, fish cultural, technological, engineering, statistical, economic, and market development studies and demonstrations, and fishery explorations, and in conjunction therewith may establish and maintain a vocational school or schools of fisheries in the Philippine Islands for the purpose of providing practical instruction and training in the fisheries; and may, at any time prior to July 1, 1950, provide 1 year of training to not more than 125 Filipinos, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in methods of deep-sea fishing and in other techniques necessary to the development of fisheries.

(c) The Fish and Wildlife Service is authorized to acquire, construct, maintain, equip, and operate such research and experimental stations, schools, research and exploratory fishing vessels, or any other facilities in the Philippine Islands that may be necessary to carry out the purposes of this section.

(d) The United States Maritime Commission is authorized, upon recommendation of the Fish and Wildlife Service of the Department of the Interior, to make arrangements for the transfer by sale or charter of small vessels, considered by the United States Maritime Commission to be satisfactory for the purpose, to be used in the establishment and continuance of a fishing industry to be operated in or near the Philippine Islands. Such transfers may be made on such terms and conditions, including transfer for a nominal consideration, as the United States Maritime Commission may approve, but only if, in the opinion of the Fish and Wildlife Service, such small vessels so to be used for Philippine Island fishing are not needed by the fishing industry of the United States, its Territories, and possessions.



*Coast and Geodetic surveys*

SEC. 310. The Coast and Geodetic Survey of the Department of Commerce is authorized to continue, until June 30, 1950, the survey work which was being conducted by it in the Philippine Islands prior to December 7, 1941. The Director of the Coast and Geodetic Survey is authorized to train not exceeding 20 Filipinos each year, to be designated by the President of the Philippine Islands subject to the provisions of section 311 (c), in order that they may become qualified to take over and continue such survey work on and after July 1, 1950, and to pay all expenses incident to their temporary employment and training.

*General provisions*

SEC. 311. (a) The Government of the Philippine Islands shall provide all lands, easements, and rights-of-way necessary for the execution of the projects herein authorized.

(b) The several bureaus and agencies of the Government authorized by this title to undertake projects in the Philippine Islands are hereby authorized, in the prosecution of such projects, to cooperate with the Government of the Philippine Commonwealth (or the Philippine Republic), and to accept contributions of labor, materials, and money from such Government and its political subdivisions and to utilize such labor, materials, and money in the prosecution of such projects.

(c) Wherever in this title the training of Filipinos at the expense of the United States Government is authorized, the head of the bureau or agency under whose supervision or control the training is given may establish minimum requirements as to education and experience, provide for competitive examinations, or establish such other standards for qualification for such training as in his judgment may seem necessary and advisable, and under such regulations as may be adopted from time to time may provide for the payment of all expenses incidental to such training, including, but not limited to, actual transportation expenses to and from and in the United States, allowances for tuition, educational fees, and subsistence.

(d) Any Filipino who is designated for training or instruction as provided in this act may be admitted to the United States for such training or instruction upon certification to the Immigration and Naturalization Service by the head of the bureau or agency under whose supervision the training or instruction is to be given that such entry is necessary in connection with the training or instruction, notwithstanding the provisions of section 8 of the act of March 24, 1934 (48 Stat. 462; 48 U. S. C. 1238), and notwithstanding any provision of the laws of the United States relating to the immigration, exclusion, expulsion, or registration of aliens: *Provided*, That such admissions shall be deemed pursuant to section 3 (2) of the Immigration Act of 1924 (43 Stat. 154; 47 Stat. 607; 54 Stat. 711; 8 U. S. C. 203): *Provided further*, That the privilege of entering or remaining in the United States for such purposes shall end within a reasonable time, to be fixed by regulation of the Commission of Immigration and Naturalization with the approval of the Attorney General, after termination of the training or instruction: *Provided further*, That the head of the bureau or agency concerned may at any time terminate the training or instruction of any person under this act if in his judgment the best interests of either the United States or the Philippine Government makes such action advisable, and his decision shall be final and conclusive: *Provided further*, That any such Filipino who shall fail to depart from the United States within the reasonable time fixed by regulation, as herein prescribed, shall be subject to being taken into custody and deported, as provided by section 14 of the Immigration Act of 1924 (43 Stat. 162; 8 U. S. C. 214).

(e) Unless otherwise provided by law this title shall expire on June 30, 1950.

## TITLE IV—THE UNITED STATES HIGH COMMISSIONER

SEC. 401. Until the Philippine Islands attain their independence, the functions, powers, and duties exercised in the Philippine Islands by any officer, employee, department, or agency of the United States in carrying out the provisions of this act shall be exercised under the general supervision of the United States High Commissioner to the Philippine Islands, and the officers, employees, offices, missions, and other agencies exercising such functions, powers, and duties shall be deemed to be attached to the office of the High Commissioner.

With the following committee amendments:

Page 1, line 4, delete "1945" and insert in lieu thereof "1946."

Page 1, line 10, delete the period after "States", insert in lieu thereof a comma, and insert "by and with the advice and consent of the Senate."

Page 2, line 1, delete "\$10,000" and insert in lieu thereof "\$12,000."

Page 2, line 12, delete the period after "thereof", insert in lieu thereof a comma, and insert "to be fixed by the Commission without regard to the limitation prescribed in any existing law."

Page 2, line 15, after "compensation" insert "and allowances."

Page 2, line 15, insert a comma after "officers" and insert "attorneys."

Page 3, line 5, delete the period after "Philippines" and insert "and shall give public notice of the time when, and the limit of the time within which, claims may be filed, which notice shall be given in such manner as the Commission shall prescribe."

Page 3, line 12, delete the period after "title" and insert "if possible but, in no event later than 5 years from the enactment of this act."

Page 3, line 15, after "loss" insert "or destruction."

Page 3, line 16, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 3, line 18, after "attack" delete "including action taken by or at the request of the military, naval, or air forces of the United States in resisting enemy attack," and insert in lieu thereof "(2) action taken by or at the request of the military, naval, or air forces of the United States to prevent such property from coming into the possession of the enemy;"

Page 3, line 21, delete "(2)" and insert in lieu thereof "(3)."

Page 3, line 23, delete "(3)" and insert in lieu thereof "(4)."

Page 3, line 25, after "in" insert "opposing, resisting or."

Page 4, line 1, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 4, line 1, delete "(4)" and insert in lieu thereof "(5)."

Page 4, line 3, after "authority" delete "or incidental to control by enemy forces:" and insert "determined by the Commission to have resulted from any of the other perils enumerated in this section or from control by enemy forces."

Page 4, line 17, after "no" delete "payment or payments shall be made" and insert "claim shall be approved."

Page 5, line 4, after "claims" delete "payable to" and insert "approved in favor of."

Page 5, line 11, delete "Philippine Commonwealth" and insert in lieu thereof "Commonwealth of the Philippines."

Page 5, line 12, delete "Philippine Republic;" and insert in lieu thereof "Republic of the Philippines or who, being a citizen of a nation not an enemy of the United States, which nation grants reciprocal war damage payments to American citizens resident in such countries, was, for 5 years prior to

December 7, 1941, a resident of the Philippines;"

Page 5, line 16, delete "Philippine Commonwealth" and insert in lieu thereof "Commonwealth of the Philippines."

Page 5, line 24, after "any", insert "unincorporated association, trust, or."

Page 5, line 25, after "successor", delete "if it satisfies the requirements of this paragraph (4)."

Page 6, line 3, after "any", insert "other unincorporated association, trust."

Page 6, line 5, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 6, line 8, delete "Philippine Republic" and insert in lieu thereof "Republic of the Philippines."

Page 6, line 15, delete "Philippine Commonwealth" and insert in lieu thereof "Commonwealth of the Philippines."

Page 6, line 16, after "any", insert "unincorporated association, trust."

Page 7, line 7, delete "Philippine Government" and insert in lieu thereof "Government of the Commonwealth of the Philippines (Republic of the Philippines)."

Page 7, line 10, after "the", delete "Government," and insert "War Department, Navy Department, respective."

Page 7, line 14, after "within", delete "nine months, after the enactment hereof" and insert "twelve months after the date on which public notice is given as prescribed in section 101 (c) of this title."

Page 7, line 23, after "(2)", delete "80 percent of the remainder of the approved amount of the claim." and insert "such percentage, not in excess of 80 percent of the remainder of the approved amount of the claim as the Commission shall take applicable to all approved claims, due consideration having been given to the total funds available for distribution."

Page 8, delete lines 6 to 25, inclusive.

Page 9, line 1, delete "(c)" and insert in lieu thereof "(b)."

Page 9, line 4, delete "rebuilding or repairing lost or damaged property, or."

Page 9 line 5 after "placing", delete "it" and insert "lost, damaged, or destroyed property."

Page 9, line 14, at the end of the line add a new sentence: "To accomplish the purposes of this section such surplus property of the United States, wherever located, as the President of the United States by Executive order shall direct, shall be transferred to the Commission. The Commission shall pay to the disposal agency the fair value of the property as agreed to by the Commission and the disposal agency."

Page 9, line 15, delete "(d)" and insert in lieu thereof "(c)."

Page 9, line 19, delete the period and insert in lieu thereof a colon, and insert "Provided, That if the Commission determines it is impossible for any reason beyond the control of the claimant, or is impractical to rebuild, replace, or repair the lost or damaged property, the Commission may make payment to the claimant without making said requirement: *Provided, however*, That, as a condition to the making of such payment, the Commission shall require that the whole of such payment shall be reinvested in such manner as will further the rehabilitation or economic development of the Philippines: *And provided further*, That nothing in this subsection shall preclude the partial payment of claims as the rebuilding, replacing, or repairing of the property progresses."

Page 10, line 2, delete "330,000,000" and insert in lieu thereof "400,000,000."

Page 10, line 4, delete "1,500,000" and insert in lieu thereof "4,000,000."

Page 10, line 6, after "Any" delete "sums" and insert "money or bullion."

Page 10, line 8, after "of" delete "the."

Page 10, line 8, delete the dash after "war" and insert "losses in the Philippines—."

Page 10, line 10, after "the" delete "sums" and insert "value of said money or bullion."



Page 10, line 11, delete "are" and insert in lieu thereof "is."

Page 10, delete all of lines 15 to 25, inclusive, and

Page 11, delete all of lines 1 to 6, inclusive, and insert in lieu thereof the following:

"(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, the excess over the amounts so appropriated shall be used, first, to satisfy in full the balance unpaid of any approved claims under this title; second, toward the payment of any amount by which any claim was reduced under section 102 (a) hereof; third, toward the satisfaction of any approved claim of the Government of the Commonwealth of the Philippines (or the Republic of the Philippines), its provinces, cities, municipalities, and instrumentalities, not compensated under this act; and

"(3) the balance shall be covered into the Treasury of the United States.

"(c) Notwithstanding any other provision of law, any other property received by the United States from the Japanese Government or the Japanese people, whether by way of reparations or restitution on account of war losses in the Philippines, may be transferred, by Executive order of the President of the United States, to the Commission, to be applied in kind, under such regulations as may be adopted by it, to the payment of losses or damages covered by this act, or in such other manner as the Commission may determine to be necessary to carry out the purposes and policy of this act.

"(d) Nothing in this act shall prejudice the right of any claimant not covered by this act to recover damages from the Japanese Government or the Japanese people, by way of reparations or indemnity on account of the war, for losses not, or not fully, compensated for hereunder."

Page 11, line 7, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 11, line 9, delete the comma after "false."

Page 11, line 9, after "willfully", insert "and fraudulently."

Page 11, line 10, insert a comma after "property."

Page 11, line 17, after "both" delete the period and insert a comma, and insert "and shall not receive any payments or other benefits under this title and, if any payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same."

Page 11, line 23, delete "Whoever, in" and all of lines 24 and 25, and on page 12, delete all of lines 1 to 5, inclusive, and insert in lieu thereof the following:

"Whoever, in the Philippines or elsewhere, pays or offers to pay, or promises to pay, or receives, on account of services rendered or to be rendered in connection with any claim for compensation hereunder, any remuneration in excess of the maximum permitted by this section, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$5,000, or imprisoned for not more than 12 months or both, and, if any such payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same, and, in addition thereto, any such claimant shall forfeit all rights under this title."

Page 12, line 15, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 12, lines 20 and 21, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 13, line 2, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 13, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 13, line 17, insert after the word "pleasure" and before the word "aircraft", the words "watercraft and pleasure."

Page 13, line 17, after the word "aircraft" delete the semicolon and insert in lieu thereof a colon, and insert "Provided, however, That such protection, compensation, or consideration shall extend to such of the foregoing items as may have constituted inventories, supplies, or equipment for carrying on a trade or business within the Philippines."

Page 13, line 23, after "occur," delete "and."

Page 13, line 23, after "(c)" delete "vessels propelled by sail;" and insert the following: "watercraft and commercial vessels of Philippine registry and watercraft of Philippine or American ownership, in harbors and territorial and inland waters of the Philippines, and (d) cargoes and equipment on vessels and watercraft described in (a), (b), and (c) above; except as modified by and subject to clauses (1) and (5) of this section."

Page 14, line 1, and line 2, delete.

Page 14, line 3, delete "(4)" and insert in lieu thereof "(3)."

Page 14, line 4 and line 5, delete.

Page 14, line 6, delete "(6)" and insert in lieu thereof "(4)."

Page 14, line 6, add "s" to "Philippine" and delete "Islands."

Page 14, line 9, delete "(7)" and insert in lieu thereof "(5)."

Page 14, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 14, line 24, delete "fixed" and insert in lieu thereof "agreed."

Page 14, line 24, insert after "by" the words "the Commission and."

Page 16, line 5, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 16, delete all on lines 6 to 20, inclusive, and insert the following: "and to aid in repairing and replacing buildings (including hospitals, educational and charitable institutions furnishing essential health, educational, and welfare services), works, utilities, equipment or other property, owned by the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, or other governmental units in the Philippines, in cases where such government-owned buildings, works, utilities, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise to aid in facilitating the normal operations of existing governmental units in the Philippines."

Page 16, line 25, delete the comma before "notwithstanding."

Page 16, line 25, delete "notwithstanding any other provision of law."

Page 17, line 1, after "Philippines," insert "provincial governments, chartered cities or municipalities."

Page 17, line 3, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 17, line 9, after "Philippines" insert "(Republic of the Philippines)."

Page 17, line 12, after "The", beginning a new sentence, delete "Department of State shall furnish a copy of such record to the Surplus Property Administrator, and shall also make" and insert the following: "Commissioner shall make."

Page 17, delete all of lines 17 to 24, inclusive; and on

Page 18, delete all of lines 1 to 16, inclusive, and insert in lieu thereof the following:

"Sec. 203. Surplus property now or hereafter located in the Philippines shall be disposed of only in accordance with the provisions of this act and the Surplus Property Act of 1944 as heretofore or hereafter amended. Such disposals shall not be subject to the provisions of any law inconsistent herewith. The Commission shall, so far as practicable, dispose of surplus property in the Philippines in such a manner and in such quantities, within the provisions of the Surplus Property Act, as will prevent unnecessary distribution costs and excessive profits."

Page 18, line 18, delete "this."

Page 18, line 19, delete "title" and insert "section 201."

Page 18, delete all of lines 20 to 22, inclusive.

Page 18, line 23, delete "206" and insert in lieu thereof "205."

Page 18, line 24, after "Philippines", delete "under this title," and insert "(Republic of the Philippines), provincial governments, chartered cities or municipalities under section 201."

Page 19, line 1, delete "\$30,000,000" and insert in lieu thereof "\$100,000,000."

Page 19, line 3, delete "207" and insert in lieu thereof "206."

Page 19, line 9, after "Philippines", insert "(Republic of the Philippines)."

Page 19, line 23, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 20, line 3, after "authorized", insert a comma and the words "after consultation with the Philippine Government."

Page 20, line 7, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 20, line 11, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 20, line 20, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 20, line 23, after "authorized", insert a comma and the words "after consultation with the Philippine Government."

Page 20, line 25, delete "Philippine" and insert in lieu thereof "Philippines."

Page 21, line 1, delete "Islands."

Page 21, line 9, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 21, line 20, delete "Philippine Republic" and insert in lieu thereof "Republic of the Philippines)."

Page 21, line 22, delete "Philippine Republic" and insert in lieu thereof "Republic of the Philippines)."

Page 21, line 23, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 21, line 24, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 22, line 15, after "undertake", insert a comma and the words "after consultation with the Philippine Government."

Page 23, line 6, after "and", at the beginning of the line, delete "reconversion" and insert in lieu thereof "rehabilitation."

Page 23, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 23, line 11, delete "Philippine Islands" and insert in lieu thereof "Philippines (Republic of the Philippines)."

Page 23, line 14, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 23, line 17, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 23, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 23, line 24, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 23, line 25, delete "pine Islands" and insert in lieu thereof "Philippines."

Page 23, line 25, add "s" to "Philippine."

Page 24, line 1, delete "Islands."

Page 24, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 24, line 17, delete "Philippine Islands" and insert "Philippines, notwithstanding the provisions of any existing law."

Page 24, line 20, after "vessels" delete "of less than 2,000 gross tons" and insert "suitable for operation in the interisland commerce of the Philippines."

Page 24, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 25, line 1, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 25, line 5, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 25, line 9, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 25, line 11, after "at" delete "the" and insert in lieu thereof "a."

Page 25, line 12, after "Academy" insert a period and delete "at Kings Point, New York."



Page 26, line 6, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 26, line 12, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 26, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 26, line 11, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 27, line 18, after "addition" insert "to."

Page 27, line 23, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 28, line 3, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 28, line 10, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 28, line 14, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 28, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 29, line 8, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 29, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 29, line 22, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 30, line 5, add "s" to "Philippine."

Page 30, line 6, delete "Islands."

Page 30, line 10, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 30, line 12, delete "Philippine Commonwealth (or the Philippine Republic)," and insert in lieu thereof "Philippines."

Page 31, line 16, after "exclusion", insert "or."

Page 31, line 16, delete the word "or" at the end of the line.

Page 31, line 17, delete "registration of aliens:" and insert "except registration and fingerprinting as provided in the Alien Registration Act of 1940 (8 U. S. C. 451, et seq.):".

Page 32, line 5, delete "Philippine Government" and insert in lieu thereof "Philippines."

Page 32, line 13, after "title" Insert a comma and the words "except the last proviso to subsection (d) of this section."

Page 32, line 17, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 32, line 19, delete "Philippine Islands" and insert in lieu thereof "Philippines."

Page 32, line 22, add an "s" to "Philippine."

Page 32, line 23, delete "Islands."

Page 33, after line 3, insert the following:

"SEC. 402. On and after the date upon which the Philippines attain their independence the power, authority, duties, and functions authorized under this act to be exercised by the High Commissioner to the Philippines shall vest in and be exercised by such representative or representatives of the United States as shall be appointed for that purpose by the President of the United States.

Insert a new title, as follows:

#### "TITLE V—RESTORATION AND IMPROVEMENT OF THE PROPERTY OF THE UNITED STATES

"SEC. 501. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000,000 for the restoration, repair of damage to and improvement of lands and buildings referred to in paragraph (3) of subsection (c) of section 3 of Public Law No. 300, Seventy-sixth Congress, first session (53 Stat. 1226), and for the acquisition or construction of additional buildings to house the civil agencies, including the diplomatic and consular establishments of the United States operating in the Philippine Islands."

Insert a new title, as follows:

#### "TITLE VI—GENERAL PROVISIONS

"SEC. 601. No payments under title I of this act in excess of \$500 shall be made until an executive agreement shall have been entered into between the President of the United States and the President of the Philippines, and such agreements shall have become effective according to its terms, providing for trade relations between the United

States and the Philippines, and which agreement shall also provide for the same offenses, and penalties upon conviction thereof, as are set forth in section 107 and section 108 of title I of this act.

"SEC. 602. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby."

The committee amendments were agreed to.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Page 25, line 2, after the word "time", insert a comma and the following: "but not later than the fiscal year 1950."

Mr. COLE of New York. Mr. Speaker, under title III the amount of \$120,000,000 is authorized to be appropriated, which will be allocated by the President from time to time for the purpose of permitting certain Federal agencies to cooperate with the Philippine Government and officials in rebuilding their public and civilian economy, such as public roads, harbor facilities, hospitals, fisheries, and so forth. It permits certain selected Filipino individuals to be trained in some of our academies, such as the Merchant Marine Academy. Some of the sections are limited in the time that the funds can be used, and others are not limited. The purpose of the amendment which I have offered is to make certain that the expenditure of this \$120,000,000 shall not carry on beyond the fiscal year 1950.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is this \$120,000,000 in addition to the \$400,000,000?

Mr. COLE of New York. It is in addition to the \$400,000,000.

Mr. RICH. So that it is \$520,000,000?

Mr. COLE of New York. Well, it is more than that, it is \$620,000,000.

Mr. RICH. That is what I wanted to find out. I have been trying to find out what the total sum of the bill entails. It is \$620,000,000?

Mr. COLE of New York. Four hundred million dollars is authorized to pay damage claims and \$100,000,000 worth of surplus property is authorized to be used in rebuilding Filipino public property. In addition to that \$120,000,000 is authorized for continued Federal assistance under title III. That is the authorization to which I am making reference now.

Mr. RICH. I hope that the House in handling these bills in the future, when we try to find out what a bill entails, will give a complete and concise statement of just the amount that is involved in each one of these bills.

Mr. COLE of New York. I am quite certain that the report contains all of these figures.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Iowa.

Mr. LECOMPTE. The \$100,000,000 worth of property is property that is

already in the Philippine Islands, and does not entail any additional cost, and would cost considerable to bring back to this country, is that not correct?

Mr. COLE of New York. The gentleman is correct.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Illinois.

Mr. CHURCH. With reference to surplus property, the \$100,000,000, is that based on original cost of the surplus property, or is it based on some other valuation?

Mr. JUDD. It is based on a fair valuation to be determined by the Foreign Liquidation Commissioner.

Mr. CHURCH. Is not that very indefinite?

Mr. COLE of New York. Can the gentleman suggest to us any better way of measuring the value of the surplus property to be made available?

Mr. CHURCH. Not at the moment.

Mr. COLE of New York. I am sure the committee is receptive to any constructive suggestions.

Mr. CHURCH. The gentleman from Minnesota, Dr. JUDD, is on the Committee on Expenditures in the Executive Departments, and perhaps his judgment should be followed.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from California.

Mr. MILLER of California. I subscribe to the theory that the gentleman advances in putting a limitation on this, but I wonder if 1950 is not a little too close. For instance, the boys that go to those academies and train for officers in the future Filipino merchant marine can hardly complete courses within that time. You will not have them here for another year or two, then you top the thing off by 1950. I wonder if the gentleman has given thought to that sort of thing.

Mr. COLE of New York. The reason I selected the year 1950 is that some of the programs were limited to that period of time.

Mr. MILLER of California. That is right; I appreciate that.

Mr. COLE of New York. I can appreciate the complications such as the gentleman has suggested, and am sure that if this amendment is adopted those will be considered when the bill goes to conference, and it will be worked out satisfactorily.

Mr. MILLER of California. I just wanted to make sure of that.

Mr. BELL. I see no objection to the amendment offered by the gentleman from New York, Mr. Speaker.

The SPEAKER. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. JUDD. Mr. Speaker, I offer an amendment, the first of a series of amendments I intend to offer.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 31, line 1, after "year" and preceding the comma, insert the words "prior to July 1, 1950."



Mr. JUDD. Mr. Speaker, each of these four amendments supplements the amendment that has just been adopted, but I think they should be adopted to make sure there are definite limits to the program for training Filipinos in merchant marine, fisheries, weather bureau, and so forth. If the Members will look on page 31 of the bill, line 6, and read with me that sentence, you will see that it authorizes Filipino midshipmen to be trained under other authorizations than those carried in this act. It says beginning in line 6 on page 31:

The persons receiving instruction under authority of this section shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the Chairman, United States Maritime Commission as cadet midshipmen at the Merchant Marine Academy.

They are to be trained under other funds than the funds authorized under this act and are not covered by the limitation of the amendment by the gentlemen from New York. Therefore, I think we ought to put in line 1 the amendment that has just been read, so that the subsection will start:

The Chairman, United States Maritime Commission, is hereby authorized to permit not exceeding 50 Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines—

And so on. Then it will be clear that we are not authorizing appointments to be made after that date, although after being appointed I think they ought to be allowed to complete their training. I hope that this amendment will be accepted. If when July 1, 1950, comes there is evidence more Filipinos should be trained, we can extend the date. Without this amendment it appears men could be appointed each year indefinitely. If then one day we would have to cut them off, it might look as if we were short-changing them or going back on a promise. I hope the chairman will accept the amendment.

Mr. BELL. I see no objection to the amendment, Mr. Speaker.

The SPEAKER. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. JUDD. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 32, line 2, after "year" insert "prior to July 1, 1950."

Mr. JUDD. Mr. Speaker, this is exactly the same thing.

The SPEAKER. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. JUDD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 32, line 25, after "year" insert "prior to July 1, 1950."

The amendment was agreed to.

Mr. JUDD. Mr. Speaker, I offer an amendment.

Amendment offered by Mr. JUDD: On page 35, line 10, after "year" insert "prior to July 1, 1950."

The amendment was agreed to.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: On page 6, line 24, after "corporation" insert "(composed of individuals otherwise qualified)."

Mr. COLE of New York. Mr. Speaker, my attention has just been called to a situation which was not considered by the committee at the time the bill was under deliberation.

The House will note that an individual claimant for reimbursement of property damaged by reason of the war must be a citizen of the United States or of the Philippine Islands, or if not a citizen of either of those two nations, then he must be a resident of the Philippines for a period of 5 years, providing he is a citizen of a nation which grants reciprocal benefits to American citizens damaged in those foreign countries by the war. In addition to those individuals who can qualify as claimants, subparagraph 4 further provides that any unincorporated association, trust, or corporation can qualify as a claimant. Therefore, it is entirely possible that an unincorporated association consisting entirely of Japanese nationals living in the Philippine Islands or nationals of any country other than the United States or the Philippines could come in and qualify under the provisions of this bill. The amendment which I have offered is drawn rather hastily and perhaps does not correctly cover the situation, but in order that something may be contained in the bill that the conferees can consider when they meet to iron out these differences between the two measures, I suggest the favorable consideration of this amendment.

Mr. BELL. Mr. Speaker, there is no objection to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. COLE].

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND REMARKS

Mr. BELL. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### COMMITTEE ON MILITARY AFFAIRS

Mr. MAY. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs may have permission to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

#### PAN AMERICAN DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings whereby House Resolution 522 was agreed to on February 13, 1946, be vacated, and I ask for its present consideration for the purpose of offering an amendment thereto.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

*Resolved*, That the House of Representatives hereby designates Monday, April 15, 1946, for the celebration of Pan America Day during which no business or remarks except appropriate to such an occasion may occur.

Mr. McCORMACK. Mr. Speaker, I offer an amendment:

Amendment offered by Mr. McCORMACK: On page 1, lines 3 and 4, after the word "Day", strike out the words "during which no business or remarks except appropriate to such occasion may occur", and insert "on which day remarks appropriate to such occasion may occur."

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND JUDICIARY APPROPRIATION ACT, 1947

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue during the remainder of the day, the time to be equally divided between the gentleman from Nebraska [Mr. STEFAN], the ranking minority member, and myself; and that the first paragraph of the bill be read for amendment at the conclusion of general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. STEFAN. Mr. Speaker, reserving the right to object, and I am not going to object, do I correctly understand that the request of the gentleman is that debate go on throughout the day and that no time limit is being set for general debate?

Mr. RABAUT. That is correct.

Mr. STEFAN. The first paragraph of the bill will be read after general debate has been concluded?

Mr. RABAUT. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan [Mr. RABAUT].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 6056, with Mr. MILLS in the chair.







## CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Legislative Reports and Service Section

(For Department staff only)

Issued

April 16, 1946

For actions of

April 15, 1946

79th-2nd, No.69

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**HIGHLIGHTS:** House passed selective-service extension bill. House rejected, 53-171, motion to suspend rules and pass Poage bill to permit requisitioning of surplus equipment for soil conservation and forestry. Senate passed Wagner-Blender-Taft housing bill, which contains provisions for rural housing loans by this Department. Sens. Eastland, Maybank, and Bankhead criticized OPA and Bowles on cotton-margins regulations. House agreed to Senate amendment to bill transferring fur-animal research from Interior to Agriculture. House passed bill prohibiting 1947 cotton-marketing quotas and acreage allotments. Philippine trade bill and Patman housing bill were sent to conference. House debated price-control extension.

## HOUSE

- 1. SELECTIVE SERVICE.** Passed, 290-108, H. R. 6064, to extend the Selective Training and Service Act (pp. 3786-7). The bill extends this Act from May 15, 1946, to Feb. 15, 1947; prohibits inductions between May 15 and Oct. 15 but permits the President to resume drafting then if volunteer enlistments are inadequate; prohibits further inductions of 18 and 19-year-olds after May 15; provides an 18-month limit on service of inductees, including those now in service; prohibits induction of fathers or essential farm workers.
- 2. FORESTRY.** Passed without amendment H. R. 2854, to add certain public and other lands to the Shasta National Forest (p. 3792).
- 3. SURPLUS PROPERTY.** Rejected, 53-171, a motion by Rep. Poage, Tex., to suspend the rules and pass S. 1414, to permit the Agriculture Department to requisition surplus equipment for soil- and water-conservation work, forest-fire prevention and suppression, and forest improvement (pp. 3795-803).
- 4. WAR DEPARTMENT CIVIL APPROPRIATION BILL.** Received the conference report on this bill, H. R. 5400, which includes appropriations for War Department flood-control projects (pp. 3813-14).
- 5. PATMAN HOUSING BILL.** Reps. Spence, Brown of Ga., Patman, Barry, Wolcott, Crawford, and Gamble, and Sens. Barkley, Mardock, Taylor, Mitchell, Taft, Buck, and Caphart were appointed conferees on this bill, H. R. 4761, which provides for price control and subsidies on housing (pp. 3766, 3814-15).
- 6. PRICE CONTROL; SUBSIDIES.** Began debate on H. R. 6042, to continue the Price Control and Stabilization Acts and limit subsidies on farm products (pp. 3815-30). For summary of bill see Digest 66.



7. FUR-ANIMAL RESEARCH. Agreed to the Senate amendment to H.R. 2115, to transfer to this Department the functions of the Interior Department regarding fur-bearing animals (p. 3830). This bill will now be sent to the President.
8. COTTON. Passed without amendment H.J. Res. 336, to prohibit 1947 cotton marketing quotas and acreage allotments (pp. 3830-1).
9. WILDLIFE CONSERVATION. Received the Migratory Bird Conservation Commission report for 1945 (p. 3833).
10. HEALTH. Received various petitions opposing the Wagner-Murray-Dingell bill, H.R. 4730 and S. 1606 (p. 3833).
11. PHILIPPINE TRADE. Reprs. Doughton, Cooper, Dingell, Robertson of Va., Knutson, Reed of N.Y., and Woodruff, and Sens. Walsh, Barkley, Connally, Byrd, La Follette, Vandenberg, and Taft were appointed conferees on H.R. 5856 (pp. 3766, 3777).
12. PAN-AMERICAN DAY. Agreed without amendment to H. Res. 599, greeting Latin American nations on Pan-American Day (pp. 3778-86).

#### SENATE

13. WAGNER-ELLENDER-TAFT HOUSING BILL. Passed with amendments this bill, S. 1592 (pp. 3758-74). Title VIII of the bill authorizes the Secretary of Agriculture to make 33-year loans at interest not over 4%, with limited subsidies where needed, for a period not over 10 years in the form of partial credit against interest and principal, on farms potentially capable of providing adequate income, and to enable the owners to construct, improve, etc., dwellings and facilities incident to family living to provide them, their tenants, sharecroppers, and laborers with decent, safe, and sanitary living conditions, and special loans or grants for minor improvements to meet minimum health standards on farms not potentially capable of providing adequate income; authorizes the Secretary to make loans totaling \$250,000,000 for a 4-year period, and contributions or grants reaching a maximum rate at the end of 4 years of \$10,000,000 a year; provides for FPHA assistance under a variant of the established public-housing program adapting it to special rural needs, and authorizes its contributions at the rate of \$5,000,000 a year for 5 years following enactment of the bill, with a maximum of \$25,000,000 a year at the end of the 5-year period. Other provisions of the bill make MHA permanent, broaden the scope of Federal assistance to private enterprise in constructing and financing housing, provide for the disposition of permanent war housing and other federally-owned housing with preference to servicemen and veterans, and provide for a periodic inventory of housing needs and programs.

During the debate Sens. Taft, Ohio, and Wherry, Nebr., discussed the provisions for rural-housing loans (pp. 3767-8).

14. COTTON. Sens. Eastland, Miss., Maybank, S.C., and Bankhead, Ala., criticized the OPA and Stabilization Director Bowles for the order fixing cotton margins requirements (pp. 3751-7). Sen. Bankhead claimed that the action taken by the Stabilization Director was "a direct overruling of the statutes, and directly in conflict with it" and that evidently the Secretary did not want to approve the order (p. 3756).

15. PHILIPPINE REHABILITATION BILL. Sens. Tydings, Hayden, Wheeler, Vandenberg, and Austin were appointed conferees on this bill, S. 1610 (p. 3749). House conferees have not yet been appointed.



and would be counted with that group in the country who would be willing to sponsor such efforts, each in his or her own particular State.

Very sincerely yours,

FRANCIS R. TAYLOR.

#### REPORTS OF COMMITTEES

The following reports of a committee were submitted:

By Mr. MURRAY, from the Committee on Education and Labor:

H. R. 4908. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; with an amendment (Rept. No. 1177).

By Mr. PEPPER, from the Committee on Education and Labor:

S. 1779. A bill to authorize the Federal Security Administrator to assist the States in matters relating to social protection, and for other purposes; without amendment (Rept. No. 1178).

#### REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

#### LABOR DISPUTES ACT OF 1946—MINORITY VIEWS (PT. 2 OF REPT. NO. 1177)

Mr. BALL. Mr. President, on behalf of the Senator from Ohio [Mr. TAFT], the Senator from New Jersey [Mr. SMITH], and myself, as members of the Committee on Education and Labor, I ask unanimous consent to submit the minority views on the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes. I request that the minority views be printed as a separate report and not consolidated with the majority committee report.

The PRESIDENT pro tempore. Without objection the minority views will be received and printed as requested by the Senator from Minnesota.

#### BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

S. 2062. A bill to provide for the tenure of office and retirement of the Justices of the Supreme Court of the Territory of Hawaii, the judges of the Circuit Courts of the Territory of Hawaii and the judges of the United States District Court for the Territory of Hawaii; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 2063. A bill to amend the Internal Revenue Code so as to provide for the exclusion from gross income for income-tax purposes amounts paid by a veteran in the purchase of a home; to the Committee on Finance.

By Mr. LANGER:

S. 2064. A bill to change the law of Congress to permit the Indians of the United States to select the Commissioner of Indian Affairs;

S. 2065. A bill to provide for the payment to Indians of their individual moneys under the control of the Secretary of the Interior;

S. 2066. A bill to make possible home rule and administrative autonomy on Indian Reservations and to repeal existing law to that effect; and

S. 2067. A bill to provide for the leasing of the allotted lands of Indians; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 2068. A bill for the relief of John Bernard McBride; to the Committee on Naval Affairs.

By Mr. JOHNSON of Colorado:

S. 2069. A bill to include Amvets, American Veterans of World War II, among the organizations which shall be recognized by the Administrator of Veterans' Affairs in the presentation of claims; to the Committee on Finance.

By Mr. THOMAS of Utah (for himself, Mr. MURRAY, Mr. MAGNUSON, and Mr. AIKEN):

S. 2070. A bill to authorize the Federal Security Administrator to assist the States in the development of community recreation programs for the people of the United States, and for other purposes; to the Committee on Education and Labor.

#### INVESTIGATION OF RAYON AND NYLON EXPORTS

Mr. LANGER. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution dealing with the rayon and nylon shortage.

The resolution is submitted at the request of the large department stores of North Dakota. These stores ask particularly why thousands and thousands of pairs of nylon stockings are exported and then resold in the United States.

There being no objection, the resolution (S. Res. 259), was received and referred to the Committee on Banking and Currency, as follows:

Whereas there are continued shortages in the quantities of rayon and nylon hosiery and of garments made of rayon and nylon which are made available to the women of the United States; and

Whereas such continued shortages not only cause great uneasiness and hardship to the women of the United States but also lead to chaotic conditions in the retail establishments dealing in such articles; and

Whereas there is reason to believe that such continued shortages may be due, at least in part, to the quantities of rayon and nylon and of articles made from rayon and nylon which have been and are being exported from the United States; Therefore be it

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to (1) the volume of recent exports of rayon and nylon and of articles made from rayon and nylon, (2) the cause or causes of any increase in the volume of such exports, and (3) whether or not any legislative or executive action should be taken in the light of the facts disclosed with respect to the volume of such exports. The committee shall report to the Senate at the earliest practicable date the results of its investigation, together with such recommendations as to necessary legislative or other action as it may deem desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of

25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed \$ , shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

#### SPECIAL COMMITTEE TO CONSIDER MATTERS RELATING TO REORGANIZATION OF LEGISLATIVE BRANCH

Mr. LA FOLLETTE (for himself, Mr. THOMAS of Utah, Mr. PEPPER, Mr. RUSSELL, Mr. WHITE, and Mr. BROOKS) submitted the following resolution (S. Res. 260), which was referred to the Committee on Rules:

Resolved, That a special committee to be composed of the six Senators who are members of the Joint Committee on the Organization of the Congress is hereby established, with authority to sit and act during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, for the purpose of receiving and considering all bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government. All bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government shall be referred to the committee for its consideration and such committee is hereby authorized to report to the Senate with respect to any matter referred to it, together with such recommendations as it may deem advisable; except that no matter shall be referred to the committee which has the effect of repealing, amending, or changing the rules, practices, or precedents of the Senate relating to cloture or relating to the germaneness of amendments, and the committee shall make no report or recommendation with respect to any such matter. Any vacancy occurring in the membership of the committee shall be filled by appointment by the President of the Senate.

#### REHABILITATION OF THE PHILIPPINE ISLANDS

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes.

Mr. TYDINGS. Mr. President, I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. HAYDEN, Mr. WHEELER, Mr. VANDENBERG, and Mr. AUSTIN conferees on the part of the Senate.

#### ADDRESS BY SENATOR WAGNER AT ROOSEVELT MEMORIAL DINNER

[Mr. WAGNER asked and obtained leave to have printed in the Record an address delivered by him at the Roosevelt Memorial Dinner, New York City, on April 12, 1946, which appears in the Appendix.]

#### ADDRESS BY SENATOR KILGORE TO ANTI-INFLATION RALLY

[Mr. WAGNER asked and obtained leave to have printed in the Record a radio address delivered by Senator KILGORE to an anti-inflation rally, New York City, on March 22, 1946, which appears in the Appendix.]

#### ADDRESS BY SENATOR PEPPER AT ROOSEVELT MEMORIAL DINNER

[Mr. PEPPER asked and obtained leave to have printed in the Record an address delivered by him at the Roosevelt Memorial



dinner, New York City, on April 12, 1946, which appears in the Appendix.]

#### ATOMIC ENERGY AND HUMAN WELFARE— ADDRESS BY DR. JOYCE C. STEARNS

[Mr. JOHNSON of Colorado, asked and obtained leave to have printed in the RECORD an address on the subject Atomic Energy and Human Welfare, delivered by Dr. Joyce C. Stearns, dean of faculties, Washington University, St. Louis, Mo., which appears in the Appendix.]

#### THE WIN-THE-PEACE OUTFIT—EDITORIAL FROM THE HARTFORD COURANT

Mr. HART. Mr. President, as we know, we are becoming a Nation of slogans. Great slogans are drifting around the country. In too many cases various organizations choose their names not to represent what they really are, but as slogans.

In connection, Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial which appeared in the Hartford Courant for April 11, 1946, entitled "The Win-the-Peace Outfit."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

##### THE WIN-THE-PEACE OUTFIT

With peace dangerously tilting in the balance an organization named Win-the-Peace has an attractive sound. So deeply are all persons of good will unselfishly interested in ushering in a better era than any the world has yet known, that it would seem that all such persons would gladly be members of Win-the-Peace. Yet last week, before this organization met in Washington, three Representatives in Congress withdrew, all charging that it is tinged with communism.

The meetings clearly indicated that the more than 700 delegates were decidedly partial to Russia. In fact one of the organizers, Frederick V. Field, was a member of the American Peace Mobilization group that picketed the White House in June 1941 before Germany attacked Russia. Thereafter all the Reds become patriots. Now they want at least an American-Russian coalition, or perhaps the Russian bear feasting on the American eagle. At the Win-the-Peace convention the Soviet was cheered to the echo, and such forthright Americans as Herbert Hoover was booed and hissed. President Truman did not escape unscathed, although the delegates went 100 percent for his domestic legislative program plus a few more pseudo-liberal ideas.

Such outstanding proponents of New Dealish ideas as Senator PEPPER, of Florida, and Representative SABATH, of Illinois, addressed the assembly. It was the latter who castigated President Truman for sending Mr. Hoover to Europe to survey food conditions. We are inclined to agree with Representative CURTIS, of Nebraska, that this jeering of Mr. Hoover is the finest compliment ever paid to any American. Incidentally, these Reds took a strong position in their resolutions for tolerance!

We shall probably hear more of this Win-the-Peace outfit. To be critical of its membership, however, should not be construed as disagreeing with the over-all objective of a stable world based on equitable principles. But we dare say that its critics will be accused as warmongers, capitalists, imperialists, isolationists, and about everything in the book but Communists.

#### WONDERFUL WISCONSIN WARMLY INVITES AMERICAN VACATIONERS TO VISIT THE BEAUTIFUL BADGERLAND

Mr. WILEY. Mr. President, I should like to take this opportunity to bring to

the attention of Congress an interesting matter having to do with American recreation and relaxation—American vacationing. Many Senators are now indisposed, ill, worn out. I heard one distinguished Member of the Senate say today in committee, "I have got to leave in a few days due to ill health." Consequently the matter of America's vacationing and "having a wonderful time" is a subject worthy indeed of brief but thoughtful consideration by the Congress. America's fun and recreation constitute, of course, a great national asset.

It is good, therefore, to know that this year American auto vacationists, 60,000,000 strong, will head for the great outdoors. Millions more will use other means of transportation to refresh themselves with new sights and scenes. Our people are going to set new records for vacation enjoyment.

That is grand for the Nation's spiritual, physical, and economic health. My brother Senators well know how the American people strained and toiled through the war years, how they vigorously backed up their fighting men and women who were "sweating it out" and giving their all on the war fronts. My colleagues in this great Chamber are themselves tired from years of continuous overwork.

##### "FORWARD" TO WISCONSIN

Now, with America's first full peacetime summer approaching, with Congress scheduled to adjourn at that time, I want to extend my sincerest invitation to all my colleagues here as well as to all America to visit "a little bit of heaven"—56,000 square miles of pure vacationland—the wonderful State of Wisconsin with its incomparable resort facilities.

Yes, come to healthful Wisconsin—the friendly State of over 3,000,000 industrious souls living in a natural paradise of 7,000 lakes and 170,000 acres of State parks and forests, ideal for sports, sight-seeing and just plain wholesome loafing.

Come to the Badger country, the Dairyland of the Nation, justly proud of its mighty industry, too, blessed by the Creator with a cool, comfortable climate, with ideal location, with great scenic beauty.

Why do I invite you to "God's country" to swim there, to fish, to boat, to canoe, to ride, to hike, to rest? It is not only my natural pride in my home State which encourages me to issue this invitation. It is not merely my desire to have my constituents honored by the distinguished presence of my brother Senators and Representatives.

I invite you to this great vacation State principally because I know my colleagues need recreation, that is, rebirth recreation, as do I, and as does all America. And Wisconsin—that midwestern playground—is the place for you and for me. Whatever be the season—summer with its water sports, autumn with its touring, winter with its snow fun—skiing, skating, tobogganing, ice fishing, you will find a vacation in Wisconsin to fill your wants and suit your purse.

##### THE MAGIC CARPET TO AND THROUGH BADGERLAND

The Badger State can be easily and pleasantly reached by one's own car, by

the finest modern trains, by bus, plane, or steamship through the Great Lakes. If one drives, he will enjoy the State's 80,000 miles of model highways with every mile either concreted or dust-proofed for his comfort. Visitors will appreciate the convenience and safety of the Wisconsin ruling that keeps big trucks off main highways on holidays and week ends.

The tourist will want to stop over and see the great industrial and port city of Milwaukee, thirteenth largest in America, model of the Nation for its outstanding municipal administration. Milwaukee has just celebrated its one hundredth anniversary. Incidentally, the entire State will celebrate the centennial of its admission to the Union on May 29, 1948. Visitors will want to see our lovely State capital, Madison, home of our State university.

##### THE STATE-WIDE PANORAMA

But all of Wisconsin is vacationland—the green, rolling, dairy country with its purebred cows—No. 1 in the Nation, the cool lakes of southeastern Wisconsin, the hills and valleys of the southwestern part and the Green Bay region, rich in historic lore, the ever-changing glories of the lands and beaches bordering Lake Michigan and Lake Superior, the sportsman's northwoods region with its thousands of spring-water lakes, the lordly Mississippi on its west border.

Everywhere in these regions are abundant and well-kept hotels and resorts, large and small, together with forest lodges and lakeside cabins, modest cottages and cabins in the pines available for inexpensive rental. They are managed by folks who pride themselves on their high standards as gracious hosts, and who take pride in their State's national reputation for unexcelled hospitality.

##### THE RICH BLEND OF PEOPLES

There is a little bit of all the world in Wisconsin—its native Indians, its descendants of Germany and Italy, its men and women of Viking blood, its sons and daughters of Poland, its Swiss, its French, its men from Britain and Scotland—Americans all, living with fraternity and good will.

##### THE SPORTSMAN'S PARADISE

Second only to the richness of our people is the wealth of our resources.

Vacationing he-men who wore the uniform of our country will particularly enjoy Wisconsin's 10,000 miles of trout streams, its hundreds of rivers, offering a greater variety of fish in greater numbers than probably any other State in the country. Thanks to our State's unrivaled fish propagation program more than 3,000,000,000 fish have been planted in the past 5 years. Here will be found black bass swimming in every one of the State's 71 counties, wall-eyed and northern pike, lake and stream trout, and the biggest, strongest, most spectacular and thrilling fresh water game fish—king of them all—the muskellunge or "muskic."

Here, too, are our Nation's greatest facilities for bow-and-arrow deer hunting.

Fortunately, the large number of competent Wisconsin guides, depleted by the war, has now been restored by our returning servicemen.







Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. MARCANTONIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 292, nays 56, not voting 82, as follows:

[Roll No. 86]

YEAS—292

Abernethy	Engle, Calif.	LeCompte
Adams	Ervin	LeFevre
Allen, La.	Fallon	Lemke
Almond	Felghan	Lesinski
Andersen,	Fenton	Lewis
H. Carl	Fernandez	Ludlow
Anderson, Calif.	Flannagan	Lynch
Andersen,	Fogarty	McConnell
August H.	Forand	McCowen
Andrews, Ala.	Fuller	McGehee
Angell	Fulton	McGregor
Arends	Gamble	McMillan, S. C.
Arnold	Gary	Mahon
Auchincloss	Gathings	Maloney
Barden	Gavin	Manasco
Barrett, Wyo	Gearhart	Mansfield,
Bates, Ky.	Glifford	Mont.
Bates, Mass.	Gillespie	Martin, Iowa
Beall	Gillette	Martin, Mass.
Beckworth	Gillie	Mason
Bell	Goodwin	May
Bennett, Mo.	Gore	Merrow
Bishop	Gossett	Michener
Blackney	Grant, Ala.	Miller, Nebr.
Bland	Grant, Ind.	Mills
Bonner	Gregory	Monroney
Bradley, Mich.	Griffiths	Morrison
Bradley, Pa.	Gross	Mundt
Brehm	Gwinn, N. Y.	Murray, Tenn.
Brooks	Gwynne, Iowa	Murray, Wis.
Brown, Ga.	Hagen	Norblad
Brown, Ohio	Hale	Norrell
Brumbaugh	Hall	O'Brien, Ill.
Bryson	Edwin Arthur	O'Hara
Buck	Hall	O'Konski
Buffett	Leonard W.	Patman
Bulwinkle	Halleck	Peterson, Ga.
Butler	Hand	Philbin
Byrnes, Wis.	Hare	Phillips
Camp	Harness, Ind.	Pickett
Campbell	Harris	Pittenger
Canfield	Hart	Ploeser
Cannon, Fla.	Hays	Plumley
Cannon, Mo.	Hedrick	Poage
Carlson	Hendricks	Price, Fla.
Carnahan	Herter	Priest
Case, N. J.	Hess	Quinn, N. Y.
Case, S. Dak.	Hill	Rabaut
Chelf	Hinschaw	Ramey
Chenoweth	Hobbs	Randolph
Chiperfield	Hoch	Rankin
Church	Hoeven	Reed, Ill.
Clark	Hoffman	Reed, N. Y.
Clason	Holmes, Mass.	Rees, Kans.
Clements	Holmes, Wash.	Rich
Clevenger	Hope	Richards
Clippinger	Horan	Rivers
Cole, Mo.	Howell	Rizley
Cole, N. Y.	Hull	Robertson,
Cooley	Jenkins	N. Dak.
Cooper	Jennings	Robertson, Va.
Corbett	Jensen	Robison, Ky.
Courtney	Johnson, Calif.	Rockwell
Cox	Johnson, Ill.	Rodgers, Pa.
Crawford	Johnson, Ind.	Roe, N. Y.
Cunningham	Johnson,	Rogers, Fla.
D'Alesandro	Luther A.	Rogers, Mass.
Daughton, Va.	Johnson,	Rogers, N. Y.
Davis	Lyndon B.	Russell
Delaney,	Johnson, Okla.	Sasser
James J.	Jones	Schwabe, Mo.
D'Ewart	Jonkman	Schwabe, Okla.
Dingell	Judd	Scrivner
Dirksen	Kean	Shafer
Dolliver	Kearney	Sharp
Domengeaux	Keefe	Simpson, Ill.
Dondero	Kelly, Ill.	Simpson, Pa.
Doughton, N. C.	Kerr	Slaughter
Doyle	Kilburn	Smith, Maine
Drewry	Kilday	Smith, Ohio
Durham	Klinzer	Smith, Va.
Earthman	Knutson	Smith, Wis.
Eaton	Kunkel	Somers, N. Y.
Elliot	Landis	Sparkman
Ellis	Lane	Spence
Ellsworth	Lanham	Springer
Elaesser	Larcade	Stefan
Elston	Latham	Stevenson

Stewart  
Stigler  
Sullivan  
Sumners, Tex.  
Sundstrom  
Taber  
Talbot  
Talle  
Tarver  
Taylor  
Thom  
Thomas, N. J.  
Thomas, Tex.

Thomason  
Tibbott  
Towe  
Trimble  
Vinson  
Vorys, Ohio  
Vursell  
Wadsworth  
Walter  
Wasielewski  
Welchel  
West  
Whitten

Whittington  
Wickersham  
Wigglesworth  
Wilson  
Winstead  
Winter  
Wolcott  
Wolverton, N. J.  
Wood  
Woodruff  
Worley

Mr. O'Neal with Mr. Mathews.  
Mr. Price of Illinois with Mr. Welch.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. Mr. Speaker, is the vote on the ordering of the previous question or on the passage of the resolution?

The SPEAKER. On the resolution.

Mr. CASE of South Dakota. Mr. Speaker, how am I recorded?

The SPEAKER. The gentleman is recorded as voting "nay."

Mr. CASE of South Dakota. Mr. Speaker, I desire to vote "yea" on the passage of the resolution.

Mr. BARRETT of Pennsylvania changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. REED of New York, asked and was given permission to extend his remarks in the RECORD in three instances, to include in one a letter and in the others some telegrams.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include statements he made yesterday before the Committee on Ways and Means on H. R. 2229 and H. R. 2230.

Mr. THOMAS of New Jersey asked and was given permission to extend his remarks in the RECORD on the question of the milk strike in New Jersey and include certain correspondence.

Mr. MUNDT asked and was given permission to revise and extend the remarks he recently made in the House and include some extraneous data and printed material.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD.

Mr. MASON asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD and include the names of 101 Members of the Congress who participated in psychological warfare.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD.

Mr. HEALY asked and was given permission to extend his remarks in the RECORD at the point immediately following the remarks of the gentlewoman from California [Mrs. DOUGLAS].

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include a break-down of the subsidies provided for in H. R. 6042.

Mr. SABATH asked and was given permission to extend his remarks on the resolution that just passed the House.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD in two instances, to include in one remarks on the resolution just passed and in the other a short editorial.

NAYS—56

Bailey  
Barrett, Pa.  
Biemiller  
Bloom  
Celler  
Coffee  
Cresser  
De Lacy  
Douglas, Calif.  
Eberharter  
Engel, Mich.  
Gallagher  
Gordon  
Gorski  
Granahan  
Granger  
Green  
Harless, Ariz.  
Havener

Healy  
Heffernan  
Heseltun  
Hollfield  
Hook  
Huber  
Jackson  
Kefauver  
Kelley, Pa.  
Keogh  
Kling  
Klirwan  
Kopplemann  
LaFollete  
Link  
McGlinchey  
Madden  
Marcantonio  
Miller, Calif.

Morgan  
Murdock  
Neely  
O'Toole  
Outland  
Patterson  
Powell  
Rayfiel  
Resa  
Robinson, Utah  
Rowan  
Ryder  
Sabath  
Sadowski  
Savage  
Starkey  
Tolan  
Woodhouse

NOT VOTING—82

Allen, Ill.  
Andrews, N. Y.  
Baldwin, Md.  
Baldwin, N. Y.  
Barry  
Bender  
Bennet, N. Y.  
Bolton  
Boren  
Boykin  
Buckley  
Bunker  
Burch  
Byrne, N. Y.  
Chapman  
Cochran  
Cole, Kans.  
Colmer  
Combs  
Cravens  
Curley  
Curtis  
Dawson  
Delaney,  
John J.  
Douglas, Ill.  
Dworschak  
Fellows

Fisher  
Flood  
Folger  
Gardner  
Geplan  
Gerlach  
Gibson  
Graham  
Hancock  
Hartley  
Hebert  
Henry  
Izac  
Jarman  
Kee  
Klein  
Lea  
Luce  
Lyle  
McCormack  
McDonough  
McKenzie  
McMillen, Ill.  
Mankin  
Mansfield, Tex.  
Mathews  
Murphy  
Norton

O'Brien, Mich.  
O'Neal  
Pace  
Patrick  
Peterson, Fla.  
Pfeifer  
Price, Ill.  
Rabin  
Rains  
Reece, Tenn.  
Riley  
Roe, Md.  
Rooney  
Sheppard  
Sheridan  
Short  
Sikes  
Stockman  
Sumner, Ill.  
Torrens  
Traynor  
Voorhis, Calif.  
Weaver  
Welch  
White  
Wolfenden, Pa.  
Zimmerman

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Riley for, with Mr. Rabin against.

Mr. Short for, with Mr. Klein against.

Mr. Graham for, with Mr. Sheridan against.

General pairs until further notice:

Mr. McCormack with Mr. Reece of Tennessee.

Mr. Roe of Maryland with Mr. Stockman.

Mr. Colmer with Mr. Wolfenden of Pennsylvania.

Mrs. Douglas of Illinois with Mr. Allen of Illinois.

Mr. Mansfield of Texas with Mr. Henry.

Mr. Buckley with Mr. Cole of Kansas.

Mr. Sheppard with Mr. Fellows.

Mr. Pfeifer with Mr. Curtis.

Mr. Cochran with Mr. McMillen of Illinois.

Mr. Rooney with Mr. Hartley.

Mr. Cravens with Mr. Bender.

Mr. Barry with Mr. Gerlach.

Mr. Rains with Mr. Dworschak.

Mr. Boykin with Mr. Baldwin of New York.

Mr. Bunker with Mrs. Luce.

Mr. Torrens with Mr. McDonough.

Mr. Combs with Mr. Sumner of Illinois.

Mr. Byrne with Mr. Hancock.

Mr. Izac with Mr. Bennet of New York.

Mr. Delaney, John J. with Mr. Andrews of New York.

Mrs. Norton with Mrs. Bolton.



## CORRECTION OF ROLL CALL

Mr. GEARHART. Mr. Speaker, on roll call 83 I am recorded as having voted "aye," which is correct. However, I am also noted as having been paired with the gentleman from West Virginia, Mr. BAILEY, which is incorrect. I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## CORRECTION OF THE RECORD

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent to correct a typographical error appearing in the RECORD on page 3805 on April 15, 1946. On line 24, first column, the word "objection" should be "objective." I ask unanimous consent, Mr. Speaker, that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## PHILIPPINE ISLANDS REHABILITATION ACT

Mr. BELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. BELL, Mr. ROBINSON of Utah, Mr. GOSSETT, Mr. WELCH, and Mr. COLE of New York.

## EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD on the resolution just passed immediately following the remarks of the gentleman from California [Mr. HEALY].

Mr. COFFEE asked and was given permission to extend his remarks in the RECORD on the resolution just passed immediately following the remarks of the gentleman from California [Mr. PATTERSON].

Mr. ROBINSON of Utah asked and was given permission to revise and extend his remarks.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD on the subject of star-mail routes and include two newspaper articles on the subject.

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD.

Mr. GRANT of Indiana asked and was given permission to extend his remarks in the RECORD and include short excerpts.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include two short articles.

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD in two instances and include two editorials.

## PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

## LEGAL GUARDIAN OF JAMES HAROLD NESBITT, A MINOR

The Clerk called the bill (H. R. 2843) for the relief of the legal guardian of James Harold Nesbitt, a minor.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to the legal guardian of James Harold Nesbitt, a minor, of Big Sandy, Tex., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses sustained as the result of an accident involving an Army vehicle at the intersection of Church and Gilmore Streets, Big Sandy, Tex., on July 4, 1944: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "\$5,000" and insert "\$1,000."

Line 7, after "Texas", insert "and to Mrs. Clara A. Nesbitt the sum of \$326."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the legal guardian of James Harold Nesbitt, a minor, and Mrs. Clara A. Nesbitt."

A motion to reconsider was laid on the table.

## RELIEF OF CERTAIN FRUIT GROWERS IN THE STATE OF DELAWARE

The Clerk called the bill (S. 401) for the relief of sundry fruit growers of the State of Delaware who sustained losses as the result of the fumigation of apples with methyl bromide in order to comply with the requirements of the United States Department of Agriculture relating to the Japanese beetle quarantine.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the present consideration of the bill?

Mr. SPRINGER, Mr. DOLLIVER, and Mr. SCRIVNER objected; and, under the rule, the bill was recommitted to the Committee on Claims.

## MRS. HENRY H. HAY

The Clerk called the bill (S. 1190) for the relief of Mrs. Henry H. Hay.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Henry H. Hay, of Savannah, Ga., the sum of \$1,082.46, in full satisfaction of her claim against the United States for compensation for accrued

annual leave, earned by her husband, the late Henry H. Hay, as a merchant marine inspector in the United States Coast Guard at Savannah, Ga., the said amount representing 88 days and 15 minutes annual leave standing to the credit of the said Henry H. Hay at the time of his death on December 4, 1944: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## SAUNDERS WHOLESALE, INC.

The Clerk called the bill (S. 1310) for the relief of Saunders Wholesale, Inc.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That Saunders Wholesale, Inc., of Key West, Fla., is hereby relieved of liability for the payment of manufacturers' excise taxes in the amount of \$7,834.56 on 2,242,000 cigarettes and 42 pounds of manufactured tobacco which were destroyed by fire on February 26, 1945, while stored in a sea stores warehouse operated by the said Saunders Wholesale, Inc., after having been lawfully withdrawn from the place of manufacture, without payment of tax, for delivery to vessels for use as sea stores.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## SALVATORE CARBONE

The Clerk called the bill (S. 1638) for the relief of Salvatore Carbone.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby authorized and directed to pay to Salvatore Carbone, out of any money in the Treasury not otherwise appropriated, a sum equivalent to the market value on the date of the approval of this act of a bond hereinafter described, and such additional sum as would be equivalent to the value of interest coupons 1 to 19, inclusive, as may be due on the date of the approval of this act, in full settlement of all claims against the United States on account of the loss of the 2 percent Treasury bond of 1949-51, dated July 15, 1942, numbered 31,199-K, with all coupons attached, which Salvatore Carbone placed in the custody of the Immigration and Naturalization Service of the Department of Justice as security for a delivery bond for the alien Raymond Cyril Cormier and which while in such custody became lost without negligence on the part of Salvatore Carbone, subject to proper assignment by him of his right, title, and interest in and to the above-described bond and coupons to the United States: *Provided,* That no part of the amount appropriated under this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding, and the payment or delivery to or the reception by any agent or attorney of an amount in excess of that herein provided shall be unlawful. Any person violating the provisions of this act shall be deemed guilty of a mis-



Sept  
17



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otherwise controlled by a Federal agency, the Fish and Wildlife Service must be consulted and their recommendations must be included in any report submitted (H. Rept. 1944)(p. 4020).

8. PHILIPPINE REHABILITATION. Received the conference report on S. 1610, to provide for rehabilitation of the Philippines (p. 4009).

#### SENATE

9. PUBLIC LANDS. The Public Buildings and Grounds Committee reported with amendments H.R. 5407, to grant FWA certain powers with respect to site acquisition, building construction, purchase of buildings, and other matters (S. Rept. 1180) (p. 3908).
10. LIVESTOCK AND POULTRY. Sen. Mead, N.Y., commended this Department and other agencies who have "moved quickly" to meet the needs for food and feed for livestock and poultry, and included his correspondence with the Olean (N.Y.) Dailey Mills, Inc., on the subject (pp. 3910-1).
11. SUGAR PRODUCTION AND MARKETING. Ratified the protocol prolonging the international agreement regarding regulation of the production and marketing of sugar (pp. 3945-6).
12. BRITISH LOANS. Continued debate on S. J. Res. 138, to authorize loans to Great Britain (pp. 3911-22, 3932-45). During the debate Sens. Fulbright, Ark., and Stewart, Tenn., discussed the cotton situation and included editorials on the subject (pp. 3938-43).
13. MINIMUM WAGES. Sen. Pepper, Fla., commended A&P Tea Co. wage scales for grocery and produce clerks (p. 3936).

#### BILLS INTRODUCED

14. APPROPRIATIONS; SALARIES. H. J. Res. 342, by Rep. Cannon, Mo., making additional appropriations for the fiscal year 1946 to pay increased compensation authorized by law to officers and employees of sundry Federal and other agencies (including Agriculture). To Appropriations Committee. (p. 4020.)
15. PERSONNEL; RETIREMENT. H.R. 6176, by Rep. Pace, Ga., "to amend further the Civil Service Retirement Act. To Civil Service Committee. (p. 4020.)
16. IRRIGATION. H.R. 6177, by Rep. Phillips, Calif., granting to the Imperial Irrigation District certain lands of the U.S. in the counties of Imperial, Riverside, and San Diego, Calif. To Irrigation and Reclamation Committee. (p. 4020.)
17. R.F.C. CONTINUATION. H. J. Res. 341 (see Digest 69) continues RFC until July 1, 1952.
18. ADMINISTRATIVE EFFICIENCY. H. R. 6159 (see Digest 70) creates as an agency of Congress an Office of Administrative Efficiency to investigate all matters regarding the efficient and economical operation of the Government and to make recommendations to Congress with respect thereto.

#### ITEMS IN APPENDIX

19. MISSOURI VALLEY AUTHORITY. Sen. Overton, La., inserted his recent Miss. Valley Assn. address opposing this project (pp. A2347-9).



10. ST. LAWRENCE WATERWAY. Rep. Lane, Mass., inserted a N.Y. Legislature resolution opposing this project (pp. A2353-4).
11. FOREIGN LOANS. Rep. Rich, Pa., inserted a Washington Times-Herald article which states that Jesse H. Jones (former Commerce Secretary) is opposed to the proposed loan to Great Britain and recommends instead a four-point program which includes authorization for CCC to sell cotton, tobacco, fruits, and other farm products to Britain on credit equal to her normal imports of such items from this country (p. A2355).  
Rep. Robison, Ky., inserted his recent radio speech opposing the proposed loan to Great Britain (pp. A2372-4).
12. ADMINISTRATIVE EFFICIENCY. Extension of remarks of Rep. LaFollette, Ind., explaining his bill, H.R. 6159, to provide for independent examinations and investigation of Government administrative efficiency (p. A2357).
13. FOREIGN RELIEF. Extension of remarks of Rep. Douglas, Ill., favoring return to rationing in order to feed Europe (p. A2387).  
Rep. Douglas, Calif., inserted her recent radio interview in which she favored a return to rationing in order to feed starving Europe (p. A2361).  
Rep. McDonough, Calif., inserted Peter Bergson's statement on the Hebrew relief problem in Europe (pp. A2386-7).
14. HEALTH. Rep. Miller, Nebr., inserted a doctor's letter opposing the President's health insurance plan (pp. A2361-2).  
Extension of remarks of Rep. Anderson, Calif., outlining the Calif. Grange Health Cooperative plan now functioning in that State (pp. A2368-9).
15. PRICE CONTROL. Extension of remarks of Rep. Woodhouse, Conn., favoring the continuation of price control and the maximum average price program (pp. A2366-7).  
Rep. Anderson, Calif., inserted a National Small Business Men's Assn. letter showing that in a nation-wide poll 96% of the businessmen contacted are not satisfied with OPA as it is now constituted (pp. A2369-70).  
Extension of remarks of Rep. Rowan, Ill., calling attention to an Ill. Women's petition favoring the continuation of price control (p. A2374).  
Rep. Forand, R.I., inserted a recent radio interview in which he urged continuation of price control (pp. A2375-6).
16. SURPLUS PROPERTY. Rep. Kefauver, Tenn., inserted a War Assets Adm. letter explaining the disposition of surplus trucks in Terre Haute, Ind. (pp. A2367-8).  
Extension of remarks of Rep. Philbin, Mass., criticizing the methods of disposing of surplus property, and including a Worcester (Mass.) Telegram article on the recent sale of photo equipment at Baltimore (pp. A2377-8).  
Extension of remarks of Rep. McCormack, Mass., explaining that the War Assets Corporation is doing a good job of disposing of surplus property and urging cooperation for a fair distribution (pp. A2383-5).
17. DAIRY INDUSTRY. Rep. Dworshak, Idaho, inserted a newspaper article pointing out that butter prices are below production costs (p. A2372).
18. SUBSIDIES. Rep. Dworshak, Idaho, inserted an Idaho Granger editorial opposing subsidies on farm products (p. A2374).
19. RECLAMATION. Extension of remarks of Rep. Patterson, Calif., urging that two projected dams in Calif. be built by the Bureau of Reclamation to provide low-cost irrigation water, rather than to function merely for flood control (p. A2377), and Rep. Miller, Calif., inserted Robert W. Kenny's (Calif. Attorney



tion of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill fixed the quota for sugars at 850,000 short tons. The Senate amendment fixed it at 850,000 long tons. The conference agreement fixes it at 952,000 short tons, which is the same number of pounds as 850,000 long tons.

Amendments Nos. 2, 3, and 4: These are amendments dependent on the action taken with respect to amendment No. 1, and the conference agreement makes corresponding changes in the Senate amendments.

Amendments Nos. 5, 6, and 7: These are clerical amendments, and the House recedes.

R. L. DOUGHTON,  
JERE COOPER,  
JOHN D. DINGELL,  
A. WILLIS ROBERTSON,  
HAROLD KNUTSON,  
DANIEL A. REED,  
ROY O. WOODRUFF,

*Managers on the Part of the House.*

#### PHILIPPINE REHABILITATION BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. BELL] may have until midnight tonight to file a conference report and statement on the Philippine rehabilitation bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BELL submitted the following conference report and statement:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1610) to provide for the rehabilitation of the Philippines, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 24.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144; and agree to the same.

And agree that the title be amended to read: "An Act for the Rehabilitation of the Philippines."

C. JASPER BELL,  
J. W. ROBINSON,  
ED GOSSETT,  
RICHARD J. WELCH,  
W. STERLING COLE,

*Managers on the Part of the House.*

M. E. TYDINGS,  
CARL HAYDEN,  
B. K. WHEELER,  
A. H. VANDENBERG,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1610) to provide for the rehabilitation of the Philippines, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate recedes on all amendments except No. 24. The House recedes on amendment No. 24.

Amendment No. 24 limited unincorporated associations, trusts, and corporations who could qualify as claimants for compensation to those composed of individuals who are qualified persons under the act.

The effect of receding from amendment No. 24 is to remove such limitations and to qualify unincorporated associations, trusts, and corporations on the basis of their nationality and residence and without reference to who composes or owns any interest in them, except that no payments can be made to such unincorporated associations, trusts, and corporations which are owned or controlled by enemy aliens and persons who have been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Philippines, or either of them. This restores subsection (4) of subparagraph (b) of section 102 to read exactly as it was reported to the House by the Committee on Insular Affairs, with the committee amendments as agreed to.

C. JASPER BELL,  
J. W. ROBINSON,  
ED GOSSETT,  
RICHARD J. WELCH,  
W. STERLING COLE,

*Managers on the Part of the House.*

#### HOOR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### AGRICULTURAL ADJUSTMENT

Mr. COX, from the Committee on Rules, reported the following privileged resolution (H. Res. 602, Rept. No. 1958), which was referred to the House calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 754) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### EMERGENCY PRICE CONTROL ACT

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. SPENCE. Mr. Speaker, I demand a separate vote on each amendment

adopted in the Committee of the Whole.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 5, strike out the date "June 30, 1947" and insert in lieu thereof the date "March 31, 1947."

Mr. McCORMACK. Mr. Speaker, I understand there are two similar amendments changing the date. I ask unanimous consent that both of those amendments be considered together.

Mr. WOLCOTT. Mr. Speaker, the first and third amendments have to do with the date and, as far as I am concerned, there is no objection to considering them together.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The Clerk will report the other amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 8, strike out the date "June 30, 1947" and insert in lieu thereof the date "March 31, 1947."

The SPEAKER. The question is on the amendments.

Mr. McCORMACK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 209, nays 189, not voting 32. as follows:

[Roll No. 89]

YEAS—209

Abernethy	Dirksen	Horan
Adams	Dolliver	Howell
Allen, Ill.	Dondero	Jenkins
Andersen,	Doughton, N. C.	Jennings
H. Carl	Dworshak	Jensen
Anderson, Calif.	Earthman	Johnson, Ill.
Andresen,	Eaton	Johnson, Ind.
August H.	Elliott	Johnson, Okla.
Angell	Ellis	Jones
Arends	Ellsworth	Jonkman
Arnold	Elston	Kearney
Auchincloss	Engel, Mich.	Keefe
Baldwin, Md.	Fenton	Kilburn
Barden	Fernandez	Kilday
Barrett, Wyo.	Fuller	Kinzer
Bates, Mass.	Gamble	Knutson
Beall	Gardner	Kunkel
Bender	Gathings	Landis
Bennet, N. Y.	Gavin	Lanham
Bennett, Mo.	Gearhart	Larcade
Bishop	Gerlach	Latham
Blackney	Gifford	LeCompte
Bolton	Gillespie	LeFevre
Boren	Gillette	Lemke
Bradley, Mich.	Gillie	McConnell
Brehm	Goodwin	McCowan
Brown, Ohio	Gossett	McGehee
Brumbaugh	Grant, Ind.	McGregor
Buck	Griffiths	McKenzie
Buffett	Gross	McMillan, S. C.
Butler	Gwinn, N. Y.	Mahon
Byrnes, Wis.	Gwynne, Iowa	Martin, Iowa
Campbell	Hagen	Martin, Mass.
Carlson	Hale	Mason
Case, S. Dak.	Hall	Mathews
Chenoweth	Edwin Arthur	Marrow
Chipherfield	Hall	Michener
Church	Leonard W.	Miller, Nebr.
Clason	Halleck	Mills
Clevenger	Hand	Mundt
Clippinger	Harness, Ind.	Murray, Tenn.
Cole, Kans.	Hartley	Murray, Wis.
Cole, Mo.	Hester	Norblad
Cole, N. Y.	Heseltan	Norrell
Cooley	Hess	O'Hara
Cox	Hill	O'Konski
Cravens	Hoeven	Phillips
Crawford	Hoffman	Pittenger
Cunningham	Holmes, Mass.	Ploeser
Curtis	Holmes, Wash.	Plumley
D'Ewart	Hope	Poage



Price, Fla.  
Randolph  
Rankin  
Reed, Ill.  
Reed, N. Y.  
Rees, Kans.  
Rich  
Rivers  
Rizley  
Robertson,  
N. Dak.  
Robison, Ky.  
Rockwell  
Roe, Md.  
Rogers, Fla.  
Rogers, Mass.  
Russell  
Schwabe, Mo.  
Schwabe, Okla.  
Scrivner  
Shafer

Short  
Sikes  
Simpson, Ill.  
Simpson, Pa.  
Smith, Maine  
Smith, Ohio  
Smith, Wis.  
Springer  
Stefan  
Stevenson  
Stewart  
Stigler  
Stockman  
Sumner, Ill.  
Sumners, Tex.  
Sundstrom  
Taber  
Talbot  
Talle  
Tarver  
Taylor

Thomas, N. J.  
Tibbott  
Towe  
Vinson  
Vorys, Ohio  
Vursell  
Wadsworth  
Weichel  
West  
Whitten  
Whittington  
Wickersham  
Wigglesworth  
Winstead  
Winter  
Wolcott  
Wolfenden, Pa.  
Wood  
Woodruff

The Clerk announced the following pairs:

On this vote:

Mr. Graham for, with Mr. Izac against.  
Mr. Hancock for, with Mr. Roe of New York against.  
Mr. Andrews of New York for, with Mr. Patrick against.  
Mr. McMillan of Illinois for, with Mr. Sheridan against.  
Mr. Wilson for, with Mrs. Norton against.  
Mr. Rodgers of Pennsylvania for, with Mr. Curley against.  
Mr. Fellows for, with Mr. Bunker against.

General pairs until further notice:

Mr. Mansfield of Texas with Mr. Reece of Tennessee.  
Mr. Colmer with Mrs. Luce.  
Mr. Rains with Mr. Sharp.  
Mr. Cochran with Mr. Henry.

MESSRS. KEARNEY and Cox changed their votes from "nay" to "yea."

Mr. HENDRICKS changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. BOREN. Mr. Speaker, I rise to offer a privileged motion. In view of the lateness of the hour and the fact that there is no opportunity to get food downstairs, I move that the House do now adjourn.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. BOREN) there were—ayes 71, noes 224.

So the motion was rejected.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 5, after section 1, insert a new section, as follows:

"SEC. 2. Notwithstanding the provisions of this act, the Stabilization Act of 1942, or the Emergency Price Control Act, as amended, no maximum price shall be established or maintained for any commodity below a price which will reflect to the producers and processors and distributors (including retailers) of such commodity the sum of (1) the current cost of producing and processing and distributing such commodity as determined by the established commercial accounting practices of the industry, and (2) a reasonable profit thereon."

The SPEAKER. The question is on the amendment.

Mr. MCCORMACK. Mr. Speaker, on that I demand the yeas and nays.  
The yeas and nays were ordered.

The question was taken; and there were—yeas 259, nays 137, not voting 34, as follows:

[Roll No. 90]

YEAS—259

Abernethy	Auchincloss	Boren
Adams	Baldwin, Md.	Boykin
Allen, Ill.	Barden	Bradley, Mich.
Allen, La.	Barrett, Wyo.	Brehm
Almond	Bates, Mass.	Brooks
Andersen	Beall	Brown, Ga.
H. Carl	Bell	Brown, Ohio
Anderson, Calif.	Bender	Brumbaugh
Andersen	Bennet, N. Y.	Bryson
August H.	Bennett, Mo.	Buck
Andrews, Ala.	Bishop	Buffett
Angell	Blackney	Burch
Arends	Bolton	Butler
Arnold	Bonner	Byrnes, Wis.

Camp  
Campbell  
Carlson  
Case, N. J.  
Case, S. Dak.  
Chelf  
Chenoweth  
Chipperfield  
Church  
Clason  
Clements  
Clevenger  
Clippinger  
Cole, Kans.  
Cole, Mo.  
Cole, N. Y.  
Cooley  
Corbett  
Cox  
Cravens  
Crawford  
Cunningham  
Curtis  
Daughton, Va.  
D'Ewart  
Dirksen  
Dolliver  
Domengeaux  
Dondero  
Doughton, N. C.  
Durham  
Dworshak  
Earthman  
Eaton  
Elliott  
Ellis  
Elsworth  
Elsaesser  
Elston  
Engel, Mich.  
Engle, Calif.  
Ervin  
Fellows  
Fenton  
Fernandez  
Flannagan  
Fuller  
Gamble  
Gardner  
Gary  
Gathings  
Gavin  
Gearhart  
Gerlach  
Gifford  
Gillespie  
Gillette  
Gillie  
Goodwin  
Gossett  
Grant, Ala.  
Grant, Ind.  
Griffiths  
Gross  
Gwinn, N. Y.  
Gwynne Iowa  
Hagen  
Hale  
Hall  
Edwin Arthur  
Hall  
Leonard W.  
Halleck  
Hand

Hare  
Harless, Ariz.  
Harness, Ind.  
Harris  
Hartley  
Hébert  
Hedrick  
Hendricks  
Herter  
Heselson  
Hess  
Hill  
Hinshaw  
Hobbs  
Hoeven  
Hoffman  
Holmes, Mass.  
Holmes, Wash.  
Hope  
Horan  
Howell  
Jenkins  
Jennings  
Jensen  
Johnson, Calif.  
Johnson, Ill.  
Johnson, Ind.  
Johnson, Okla.  
Jonkman  
Judd  
Kearney  
Keefe  
Kelly, Ill.  
Kerr  
Kilburn  
Kilday  
Kinzer  
Knutson  
Landis  
Lanham  
Larcade  
Latham  
Lea  
LeCompte  
LeFevre  
Lemke  
Lewis  
McConnell  
McCowan  
McDonough  
McGehee  
McGregor  
McKenzie  
McMillan, S. C.  
Mahon  
Maloney  
Manasco  
Martin, Iowa  
Martin, Mass.  
Mason  
Mathews  
Merrow  
Michener  
Miller, Nebr.  
Mills  
Mundt  
Murray, Tenn.  
Murray, Wis.  
Norblad  
Norrell  
O'Hara  
O'Konski  
Pace  
Peterson, Ga.

NAYS—137

Bailey	Delaney,	Hays
Baldwin, N. Y.	James J.	Healy
Barrett, Pa.	John J.	Heffernan
Barry		Hoch
Bates, Ky.	Dingell	Holifield
Beckworth	Douglas, Calif.	Hook
Biemiller	Douglas, Ill.	Huber
Bland	Doyle	Hull
Bloom	Drewry	Jackson
Bradley, Pa.	Eberharter	Johnson,
Buckley	Fallon	Luther A.
Bulwinkle	Felghan	Johnson,
Byrne, N. Y.	Flood	Lyndon B.
Canfield	Fogarty	Kean
Cannon, Fla.	Folger	Kee
Cannon, Mo.	Forand	Kefauver
Carnahan	Fulton	Kelley, Pa.
Celler	Gallagher	Keogh
Chapman	Geelan	King
Clark	Gordon	Kirwan
Coffee	Gore	Klein
Combs	Gorski	Kopplemann
Cooper	Granahan	Kunkel
Courtney	Granger	LaFollette
Crosser	Green	Lane
D'Alesandro	Gregory	Lesinski
Dawson	Hart	Link
De Lacy	Havener	Ludlow

NOT VOTING—32

Allen, La.	Hancock	Peterson, Fla.
Andrews, N. Y.	Henry	Rains
Bunker	Izac	Reece, Tenn.
Cochran	Jarman	Rodgers, Pa.
Colmer	Luce	Roe, N. Y.
Curley	McMillen, Ill.	Sharp
Davis	Mansfield, Tex.	Sheppard
Fellows	Miller, Calif.	Sheridan
Fisher	Norton	Weaver
Gibson	O'Neal	Wilson
Graham	Patrick	

So the amendments were agreed to.



PROVIDING FOR THE REHABILITATION OF THE  
PHILIPPINES

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APRIL 17, 1946.—Ordered to be printed

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Mr. BELL, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 1610]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1610) to provide for the rehabilitation of the Philippines, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 24.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144; and agree to the same.

And agree that the title be amended to read: "An Act for the Rehabilitation of the Philippines."

C. JASPER BELL,  
J. W. ROBINSON,  
ED GOSSETT,  
RICHARD J. WELCH,  
W. STERLING COLE,

*Managers on the Part of the House.*

M. E. TYDINGS,  
B. K. WHEELER,  
A. H. VANDENBERG,  
CARL HAYDEN,

*Managers on the Part of the Senate.*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1610) to provide for the rehabilitation of the Philippines, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate recedes on all amendments except No. 24. The House recedes on amendment No. 24.

Amendment No. 24 limited unincorporated associations, trusts, and corporations who could qualify as claimants for compensation to those composed of individuals who are qualified persons under the act.

The effect of receding from amendment No. 24 is to remove such limitations and to qualify unincorporated associations, trusts, and corporations on the basis of their nationality and residence and without reference to who composes or owns any interest in them, except that no payments can be made to such unincorporated associations, trusts, and corporations which are owned or controlled by enemy aliens and persons who have been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Philippines, or either of them. This restores subsection (4) of subparagraph (b) of section 102 to read exactly as it was reported to the House by the Committee on Insular Affairs, with the committee amendments as agreed to.

C. JASPER BELL,  
J. W. ROBINSON,  
ED GOSSETT,  
RICHARD J. WELCH,  
W. STERLING COLE,

*Managers on the Part of the House.*







bureaus and agencies. It is an item that is an obligation of the Government and we have nothing to do but make the appropriation. The mechanics of how it will be done has already been explained by the gentleman from Missouri or myself under the reservation of right to object on bringing the bill up.

Are there any questions that the gentleman from Pennsylvania desires to ask?

Mr. RICH. The gentleman from Missouri made the statement that the income for 1947 was estimated to be \$31,500,000. That was evidently made in January. I wonder if there has been any revision on that estimate from January to this time because of the strikes and things that we are having in this country and industry being hampered, whether they expect to get that \$31,500,000 that he figures he is going to have for a balanced budget. Personally, I do not think he is going to anywhere near approach it. But I wonder if they could figure on that amount.

Mr. TABER. Of course, in that \$31,500,000, there were figured various estimates of various people with reference to income tax and the miscellaneous internal revenue tax.

I would imagine that unless there was some substantial change in the revenue bills, or something of that kind, that we should get that amount of revenue, because our current income-tax revenues and miscellaneous tax revenues are running quite considerably above what was originally estimated when this budget was presented the 1st of January.

Mr. RICH. That was on account of the income taxes that were paid on the 15th of March by corporations.

Mr. TABER. Well, it was to a large extent on account of the miscellaneous internal-revenue taxes going up. So many people are currently spending a great deal of money for many of those items that carry internal-revenue taxes.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was objection.

Mr. RICH. I would like to ask the gentleman this question: I note that soon we will take up the War Department civil functions appropriation bill, which includes millions of dollars for rivers and harbors. We are going to have all kinds of requests for assistance to States for various things. In my judgment there is no State but what is in better shape than the Federal Government to take care of its own finances. I think we should do something to discourage the States and political subdivisions from coming here and expecting the Federal Government, which is now \$275,000,000,000 or more in debt, to provide the money. I think we should do something as a Congress to discourage that practice.

Mr. TABER. I would hope that something might be done along that line. I have always voted against these various schemes to increase Federal spending. On the other hand, when you have a bill

like this, you have to meet it. You cannot get away from it. The House has voted probably \$2,000,000,000 of expenditures that will be chargeable to 1947 in addition to what has been authorized at the time Budget was sent up here, including the Army and Navy pay raise, the Federal employees' pay raise, and all that sort of thing. Of course, we do not know what those would be, finally.

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the joint resolution be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### PHILIPPINE TRADE ACT OF 1946

Mr. DINGELL. Mr. Speaker, I call up the conference report on the bill (H. R. 5856) to provide for trade relations between the United States and the Philippines, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DINGELL]?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House, April 17, 1946.)

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield for a question.

Mr. RICH. The conferees have increased the sugar quota to the Philippine Islands, raising it to 850,000 long tons. It exceeds the quota adopted by the House. Is this increase satisfactory to the sugar States, such as Louisiana and Florida, for cane, and Michigan and Colorado, for beet sugar?

Mr. DINGELL. I may say to the gentleman from Pennsylvania that, as he already knows, conferences always result in compromise. In this instance the Senate accepted the entire House bill, with the exception of substituting long tons for short tons, to conform with the 850,000 long-ton sugar quota that is now provided in the existing law. Obviously, there was no compromise possible on the figure of 850,000, it being the same in both bills, no intermediate ton exists between a long ton and a short ton, unless the committee had created a ton of its own medium ton of 2,120 pounds instead of the long ton of 2,240 pounds. That would have been the only compromise possible. So it was suggested by a member of the minority that the only way out of the dilemma was to make it 952,000 short tons, the equivalent of 850,000 long tons; in other words, we agreed to accept the original figure in the law, which also was the Senate figure. Had it not been for the war, had it not been for the devastation of the Philippines, had it not been for the need for

rehabilitation of trade between the two countries, there would not have been any opportunity whatsoever to change the present tonnage in the quotas. That is one, if not the principal, reason for restoring the existing quota. I did not want to take advantage of the Filipinos in their hour of need.

I hope that answers the question of my friend, because I would not say that everybody in Colorado, Michigan, and Louisiana is satisfied or would not want to see some cut in the quota.

Mr. RICH. The only thing I am getting at now is to finally and eventually eliminate this subsidy we are paying the sugar producers in the States. Eventually it has got to stop. Are we going to give more consideration to the Philippines than we are to our own producers?

Mr. DINGELL. I believe my friend will concede that subsidies on sugar are not controlled by these figures.

Mr. RICH. Certainly it is. It is the amount we consume in this country that guarantees the price to our own sugar producers. Unless we take care of our own sugar producers they are going to be out of luck and we are going to be out of sugar.

Mr. DINGELL. I may say to my friend the question of increasing the quota for our own people is not involved in this at all. There is a great opportunity for increased quotas for years to come for our local producers in both cane and beet sugars because of the present increased per capita consumption and further because of the increase in our population.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Kansas [Mr. CURTIS] a member of the subcommittee.

Mr. CURTIS. Will the gentleman state what the amount of the Philippine sugar quota now is under this conference report?

Mr. DINGELL. As I take it to be, if the 850,000 long tons are converted into short tons it means 952,000 short tons.

Mr. CURTIS. The gentleman is not suggesting that he arrived at a compromise, is he? Is it not true that you have accepted the Senate version as to quantity?

Mr. DINGELL. I hope I have not misled anybody. That is precisely what we did; I said at the outset that the only thing that would be a compromise between the two actions would have been to split the existing long ton and short ton into a new intermediate ton of our own creation which instead of being 2,000 pounds or 2,240 pounds, would be a medium ton of 2,120 pounds. That would be the only possible compromise that could have been worked out.

Mr. CURTIS. Mr. Speaker, I realize that any attempt to defeat this conference report at the present time would be futile; consequently, I am not anxious to waste the time of the House. I do wish to state, however, that, in my opinion, this is not satisfactory to a great many people in this country. It is also my opinion that it is not for the best interests of the Philippine Islands and I think in that statement I am supported by a good many people who have spent years



in the Philippine Islands and know something about the situation.

I am also aware of certain representations made to the Senate Finance Committee, part of them off the record, by certain individuals who are interested in this bill that were totally false and misleading and known to be false at the time. As I say, the conference report cannot be held up.

Mr. DINGELL. Mr. Speaker, I may say that the gentleman from Nebraska has been most diligent in his efforts to safeguard the interests of the sugar producers in this country, in the subcommittee, and throughout the entire proceedings. He made some very effective statements and put up a very brave fight.

Mr. RICH. Mr. Speaker, will the gentleman yield further?

Mr. DINGELL. I yield to the gentleman from Pennsylvania.

Mr. RICH. Mr. Speaker, I just want to say that the House passed a bill containing 850,000 short tons. Now the conferees have agreed to 850,000 long tons. You are increasing the sugar quota of the Philippines 102,000 tons of sugar.

Mr. DINGELL. In short tons.

Mr. RICH. We are increasing it 102,000 tons over what it was.

Mr. DINGELL. No. We are not increasing it at all above what is provided under existing law. The gentleman will understand the cut was made in the House from long tons to short tons only because we considered a Philippine trade bill, but the present tonnage allowance or sugar quota for the Philippine Islands is 850,000 long tons. This action of the conferees merely restores the long tonnage. I may say to the gentleman again, lest he did not get my first explanation, that that was the only change the Senate made in the House bill. It merely restored the tonnage to 850,000 long tons, which is already in the existing law.

Mr. RICH. But, nevertheless, we are increasing it from what was passed by the House 102,000 tons.

Mr. DINGELL. That is right.

Mr. RICH. You cannot get away from that.

Mr. DINGELL. 102,000 short tons in order to restore the tonnage to existing law.

Mr. LYNCH. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from New York.

Mr. LYNCH. The 850,000 long tons is the same amount that has been in existing law for the past 20 years; is that correct?

Mr. DINGELL. That is correct.

Mr. LYNCH. It is the same amount that was in the original bill introduced by the gentleman from Missouri [Mr. BELL], chairman of the Insular Affairs Committee?

Mr. DINGELL. The gentleman's statement is uniformly correct.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from New York.

Mr. REED of New York. May I say in this connection that, of course, this quota is not satisfactory to all of us, but in order to get the legislation which we felt they

should have and have at once because of the independence of the Philippine Islands coming along on July 4, we had to give in a little here and there in order to get this legislation.

Mr. DINGELL. That is true. We, the members of the committee, found fault with the bill in the matter of the monopoly provisions and we found fault with it with regard to tonnage, and for other reasons, but this is one of these pressing matters. We were then, and more so now, right under the gun. Time was of the essence. July 3 is the last day on which the Philippine Commonwealth is a dependency of the United States. We had a task to perform and we just do not have any time to lose.

Mr. DURHAM. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from North Carolina.

Mr. DURHAM. Will the Philippine Commonwealth be able to meet this quota this year?

Mr. DINGELL. I doubt very much, no matter what you do here, that the Philippine Commonwealth can reach the quota in less than 3 years. But that will not affect the sugar production in this country or the amount of sugar which we can get offshore. There will be a serious shortage of sugar in the United States for some time to come, because there is a serious shortage of sugar throughout the world.

To give the gentleman an illustration the Philippine Islands, which ordinarily consume 100,000 tons of their own large and normal production, for the year 1945 produced only 13,000 tons, so they had to import 87,000 tons to actually meet their own demands. Now that is a serious all-around situation. So this quota figure has been inserted, as the members of the Committee know, because we are trying to induce the mill owners and the plantation owners to produce sugar in that country to get back to production as early as possible in order that we can rehabilitate the heroic people of that unfortunate country. And they are our friends.

Mr. RICH. Mr. Speaker, if the gentleman will yield further, the gentleman recalls distinctly, does he not, that in 1940 we destroyed 250,000 tons of sugar in Puerto Rico. We destroyed 250,000 tons of sugar in the Virgin Islands, and then you started up the rum plants there to use up sugar even in the face of that destruction. That is a terrible reflection, but that is water over the dam.

Mr. DINGELL. That may be right, but that is water over the dam.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### PHILIPPINE ISLANDS REHABILITATION ACT

Mr. BELL. Mr. Speaker, I call up the conference report on the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes, and ask unanimous consent that the statement of the managers on

the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 17, 1946.)

Mr. BELL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1947

Mr. KERR. Mr. Speaker, I call up the conference report on the bill (H. R. 5400) making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 15, 1946.)

Mr. KERR. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the civil functions bill has reached its final stage for consideration. It represents the findings and conclusions of 15 Members of the House and Senate who considered it for about 6 weeks.

During the recent World War very little work was done on the items involved and very little appropriation was made for them. There still remains a large backlog of these items which will have to be considered, and they will be coming before the House before very long.

The items which appear in this bill have been authorized by law. They have been examined, surveyed, and approved by the Army engineers. All of them except a few the Budget has approved, and both the Senate and the House have approved all the items in the bill. The items in dispute have been finally agreed upon by both the Senate and House conferees, and are now before the House for its final approval.

The amount approved by the Budget originally for these items was \$338,000,000. The House authorized an expenditure of \$286,000,000 in respect to these items, and the Senate authorized an expenditure of \$362,000,000. The conferees agreed upon the appropriation of \$333,000,000, which is \$5,000,000 below the Budget estimate.

In the distribution of the money carried in this bill \$20,000,000 was approved by the Budget for the Florida barge canal, the Appropriations Committees of both the House and the Senate struck out this item and decided to distribute this \$20,000,000 among other items in the bill.



12



# CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Legislative Reports and Service Section  
(For Department staff only)

Issued April 22, 1946  
For actions of April 19, 1946  
79th-2nd, No. 73

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**HIGHLIGHTS:** Sen. Reed criticized USDA's handling of wheat and bread situation. Senate received supplemental appropriation estimate of \$195,100 for rubber research project. Senate agreed to House amendments to bill making veterans' preferences for surplus property next to Federal Government's; ready for President. Sen. Thomas, Okla., introduced bill to establish central PMA administrative expense account. Sen. Thomas, Okla., introduced bill to extend Soil Conservation and Domestic Allotment Act to Virgin Islands.

### SENATE

- 1. WHEAT AND FLOUR.** Sen. Reed, Kans., criticized this Department's handling of the wheat and bread situation and included a constituent's letter on the subject (pp. 4139-40).
- 2. RUBBER; APPROPRIATIONS.** Received from the President a supplemental appropriation estimate of \$195,100 to continue research on rubber-bearing plants and on extraction and processing of rubber (\$150,000, BA&IC and \$45,100, BPISAE)(S.Doc.172)(p. 4104).
- 3. PRICE CONTROL.** Sen. Langer, N.Dak., inserted Cooperative Store Assn. (Maddock, N. Dak.) and Farmers' Union (Fargo, N.Dak.) resolutions favoring the continuation of price control (p. 4106).  
Sen. Langer, N.Dak., inserted a Wyndmere Cooperative Shipping Assn. resolution opposing price control and subsidies for the livestock industry (p. 4106).  
Sen. Langer, N.Dak., inserted a Vegetable Growers' Assn. of America resolution opposing price ceilings on perishable vegetables and favoring the Hobbs antiracketeering bill (pp. 4106-7).  
Sen. Wherry, Nebr., criticized OPA's "gestapo methods" of enforcement, commended its drive to enforce sugar regulations, and included a court decision on an alleged violation case (pp. 4127-9).
- 4. SURPLUS PROPERTY; VETERANS.** Agreed to the House amendments to S. 1757, to make veterans' priorities next to those of the Federal Government, provide that certain personal property be set aside for veterans without regard to priorities, provide for a time limit of not over 20 days within which the Government agencies must exercise their priorities, and prohibit transfer of property between Government agencies, without reimbursement or transfer of funds, on authority of any law approved before June 22, 1944 (pp. 4110-3). This bill will now be sent to the President.
- 5. AIRPORTS.** Agreed to defer until Tues., Apr. 23, consideration of the conference report on S. 2, the Federal-aid airport bill (pp. 4108-10).



6. BRITISH LOANS. Continued debate on S. J. Res. 138, to authorize the loan to Great Britain (pp. 4106, 4129-39, 4140-2, 4151). During the debate Sen. Butler, Nebr., compared the British loan terms with those of loans made by Federal lending agencies to farmers, veterans, small business, etc. (pp. 4137-9) and Sen. Langer, N. Dak., discussed living costs in Alaska, including tabulations on the subject (pp. 4141-3).
7. VETERANS. Agreed to the conference report on S. 1152, to effectuate the purposes of the GI Bill of Rights in D.C. (p. 4151).
8. FOREIGN RELIEF. Sen. Mead, N.Y., spoke on UNRRA's needs in order to carry out its foreign-relief program (pp. 4147-50).
9. LAND-USE PLANNING. Sen. Langer, N. Dak., inserted a N. Dak. Agricultural Advisory Council resolution urging that provisions be made to resume local land-use planning (p. 4107).
10. RESEARCH; ATOMIC ENERGY. The Special Atomic Energy Committee reported with an amendment S. 1717, for the development and control of atomic energy (S. Rept. 1211) (p. 4107).
11. PHILIPPINE REHABILITATION. Agreed to conference report on S. 1610, to provide for the rehabilitation of the Philippines (pp. 4113-4). ~~The House has not acted on the report.~~
12. WAR DEPARTMENT CIVIL APPROPRIATION BILL. Agreed to the conference report and the amendments in disagreement on this bill, H.R. 5400, which includes flood-control appropriations for the War Department (pp. 4114-5). This bill will now be sent to the President.
13. ADJOURNED until Mon., Apr. 22 (p. 4151).

#### HOUSE

NOT IN SESSION. Next meeting Tues., Apr. 30.

14. BUILDINGS AND GROUNDS. In reporting H.R. 5407 (see Digest 71) to grant FWA certain powers with respect to site acquisition, building construction, purchase of buildings, etc., the Public Buildings and Grounds Committee struck out the provision granting the Commissioner of Public Buildings exclusive authority to enter into food contracts in Government buildings.

#### BILLS INTRODUCED

15. PERSONNEL; EMPLOYMENT. H.R. 6206 (see Digest 72) would repeal the provision of law which prevents a retired commissioned officer of the U.S. from holding a civilian office or position in the Federal service if the salary combined with his retired pay exceeds \$3,000, and amends, by including personnel of the Public Health Service and the Coast and Geodetic Survey, the provision exempting retired personnel from the prohibition against holding any other Government elective or appointive position to which compensation is attached while already employed at a salary of \$2,500.
16. FORESTRY. H.R. 6201 (see Digest 72) establishes a Franklin Delano Roosevelt Memorial Redwood Forest in Calif.; authorizes this Department to cooperate with Calif. recreation industries and to provide suitable roads, trails, recreation areas, etc. and train and provide personnel to aid in the use and enjoyment of the forest; authorizes this Department to acquire lands for the site of the memorial, the Interior Department to administer the memorial units of the forest, and log cutting or harvesting and utilization of forest products to be



erty for distribution by itself. The Small War Plants Corporation, having been given such authority, and having conducted such purchases, and subsequently having undertaken to distribute the property to small businesses, frequently refused to grant a veterans' preference. A technical reading of the law would seem to indicate that the Small War Plants Corporation was in the right. The committee has now changed that policy, and there can be no further difficulty of that kind.

Mr. LUCAS. I appreciate what the Senator has said; but I have letters to sustain the position which I am taking. I do not know who is responsible for it, but veterans have been traveling all over the country in an attempt to ascertain the location of various articles on which they might have a right to bid. I know of one veteran who went to Granite City, then to Kansas City, then to Chicago, and finally landed back at Granite City, the point from which he started.

Mr. O'MAHONEY. And that fact was due largely to the provision of the law which I have described, and which is corrected in this bill. There was another provision of the law which gave Government agencies a primary preference.

Mr. LUCAS. I understand that.

Mr. O'MAHONEY. The shifting of surplus property from one agency to another was conducted in such a manner that the agencies themselves sometimes undertook to dispose of the property. Sometimes one agency secured surplus property without making any reimbursement for it. The amendment to the bill would prevent that taking place in the future. In the future such difficulties are not likely to arise. I have no doubt that others will.

Mr. LUCAS. I may say in conclusion to my good friend that I hope he will take a similar interest in my agricultural bill.

Mr. O'MAHONEY. I shall be very glad to do so.

Mr. President, in connection with the disposal of automotive equipment to veterans, I am pleased to be in a position to give an illustration of the readiness of the War Assets Administration to cooperate. General Gregory, the War Assets Administrator, has just advised me that he is completing arrangements to offer 5,300 surplus Army trucks at Port Hueneme, Calif., in the near future. These trucks are similar to the 600 recently offered for sale through a New York department store which led the Senator from North Dakota to request an investigation of veterans' preference in connection with surplus disposal. The staff of the Senate Surplus Property Subcommittee had previously investigated this sale and found that those trucks had been offered to veterans but had not been sold to veterans because they were crated and unassembled.

General Gregory told me that the trucks he is about to offer for sale at Port Hueneme, Calif., are for the most part new trucks, what the Army called the 6 by 6 or the 6 by 4. As in the earlier cases, many of these trucks had been dismantled and crated for export. However, War Assets Administration has now uncrated and assembled them, and

the trucks are ready to roll. It is believed that these trucks will be particularly useful to veterans who are engaged in farming, logging, and lumbering, and similar operations.

Instead of merely criticizing past mistakes, the Surplus Property Subcommittee has striven to match every criticism with a well-considered suggestion for improvement, for it has recognized the great complexity of the task committed to the War Assets Administration. In the case of the sale of the 600 trucks through the New York department store, 3 lessons are to be learned with respect to surplus property disposal.

The first lesson is that the War Assets Administration has not been offering certain types of critical goods to veterans on a sufficiently broad geographical basis before selling to dealers and the trade. This fact was pointed out to War Assets Administration, and War Assets Administration is now remedying that situation. For example, the new offering at Port Hueneme of 5,300 trucks will be made to the entire Pacific coast and to many of the Mountain States. Furthermore, the Port Hueneme sale will be the first of a series of Nation-wide motor-vehicle sales in all War Assets Administration regions.

I should like to point out that in this case a short telephone conversation with General Gregory, after the true facts had been established and called to my attention by the subcommittee staff, accomplished everything that could have been achieved by a formal Senate investigation, which, because of the pressure of urgent legislative business, could not have been held promptly and, therefore, would not have achieved the desired results in time.

Secondly, the sale of the 600 trucks confirms the necessity of raising the veterans' preference for surplus property as provided in this legislation.

It should be noted, I think, that Mr. Howard Bruce, of Baltimore, who recently completed a special study of surplus disposal for the President, heartily endorses the veterans' set-aside scheme. The final passage of this legislation, which has received careful attention for several months, will go far to assure a fair share of surplus property to veterans in all regions of the country.

The third lesson to be learned from the sale of the 600 trucks in New York is that it is unwise to generalize about surplus-property disposal. As Mr. Bruce pointed out in his recent report to the President, there are so many different types of surplus property involving such a multitude of problems and requiring so great an amount of flexibility in their handling that generalization becomes dangerous. For example, the 600 trucks admittedly were offered in too narrow a geographical area. A recent sale of photographic equipment in Baltimore, on the other hand, was offered too widely, with the result that after other priority claimants had finished buying, little merchandise was left to satisfy the veterans who attended the sale from all parts of the country. This situation would have been different if S. 1757 had then been on the books.

Mr. MAGNUSON. Mr. President, I wish to ask the Senator from Wyoming

a very simple question. He probably can answer it.

Mr. O'MAHONEY. I believe I can answer the question if it is simple enough. [Laughter.]

Mr. MAGNUSON. Assume, for example, that I am a veteran and wish to purchase surplus property. I reside in Chicago. May I go to the War Assets Administration, under the provisions of this bill, or as they will be set up administratively, and receive a list of surplus property which will be available for purchase throughout the country, examine the list and ascertain what I may wish to purchase?

Mr. O'MAHONEY. That is one of the primary purposes of this legislation. It will provide an inventory of surplus property which veterans shall have the exclusive right to purchase. I may say, also, that we are endeavoring to include in that list not only automotive equipment, but photographic supplies and other articles of that nature which experience teaches us that veterans would like to have.

Mr. MAGNUSON. I understand that under the bill the veteran will also have the same preference rights that the Government agencies will have.

Mr. O'MAHONEY. To the kind of property which I have described, he will have a primary right.

Mr. President, I understand that consent has been granted to me to have printed in the RECORD a detailed description of the amendments.

The PRESIDENT pro tempore. The statement was ordered to be printed at a previous point in the RECORD.

#### REHABILITATION OF THE PHILIPPINE ISLANDS—CONFERENCE REPORT

Mr. TYDINGS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 24.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144; and agree to the same.

And agree that the title be amended to read: "An Act for the rehabilitation of the Philippines."

M. E. TYDINGS,  
CARL HAYDEN,  
B. K. WHEELER,  
A. H. VANDENBERG,  
WARREN R. AUSTIN,

*Managers on the Part of the Senate.*

C. JASPER BELL,  
J. W. ROBINSON,  
ED GOSSETT,  
RICHARD J. WELCH,  
W. STERLING COLE,

*Managers on the Part of the House.*



Mr. WHITE. Mr. President, has this report been signed by the minority members?

Mr. TYDINGS. It has been signed by all members. It is a unanimous report.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. TAFT. Mr. President, as I understand, the Senate is only considering the report. It has not yet been agreed to.

The PRESIDENT pro tempore. The Senator is correct.

Mr. TAFT. We are agreeing to one amendment of the House which provides that no payments shall be made for damages to property in the Philippines until the Philippine government has approved the executive agreement contained in the trade agreement bill.

While I agree that the conferees have perhaps done the best they could do with regard to the amendment, I think that it is a most unfortunate provision. I do not believe that the payment by us for damages resulting from war, in which the Filipinos were engaged on our side, resulting in their receiving substantially as much as, or even less than what would have been received by persons in this country who were similarly involved, should be contingent upon the signing by the Filipinos of an executive agreement dealing with trade, which they may not wish to sign. In its effect, it is a compulsory provision requiring them to sign the trade agreement. I believe that they will sign the trade agreement, but, at the same time I believe that it is a great mistake for us to make this proposal contingent on the signing of the trade agreement. If there were any doubt about their signing the trade agreement I should seriously object to the conference report. Of course, in all probability it will be to their advantage to sign the trade agreement anyway, and I do not wish to hold up the approval of the conference report. However, I believe that the House should not have imposed any such condition. Moreover, I think it is unfortunate that it will stand on the record of history in the form of something to force the Filipinos into signing a trade agreement which they may subsequently say was signed under duress, or under some condition which they did not approve.

Mr. TYDINGS. Mr. President, I share completely the point of view of the Senator from Ohio. There are two things, however, which alleviate to some extent the apparent unfairness of the situation. The first is that all claims of \$500 or less may be paid without waiting until the trade agreement has been signed. That will undoubtedly cover the great majority of the smaller claims which will be filled, and no delay will be experienced. Secondly, Mr. McNutt has told me that he has already begun to set up the commission, and that a great deal of preliminary work has been done, but obviously, with respect to the larger claims, there will elapse a couple of months before the machinery will be in such shape as to approve the claims in their final form. While there is an actual compulsion in accordance with what has been incorporated by the other House, even if

the amendment had not been incorporated, the Filipinos would have adopted the agreement anyway. I am sorry that it is in the conference report. If the House were not now in recess I would be willing to go back and try to have the amendment removed, but I believe that in view of the critical condition of the natives in the Philippines, and the fact that the trade agreement bill will be approved by the Filipinos any way, I believe that the Senate should agree to the conference report in its present form.

Mr. LA FOLLETTE. Mr. President, I wish to subscribe to every word which has been uttered by the Senator from Ohio [Mr. TAFT.] When I learned of this situation I was very much aroused because it seemed to me, as I stated when the trade agreements bill was before the Senate a few days ago, that it contained many provisions which I considered to be very harsh. I felt then, as I feel now, that because of the time factor involved the Senate has had no real opportunity to exercise its full and free legislative powers in connection with the enactment of the bill. In my judgment, connecting up this relief bill with the trade act has absolutely no justification. We either owe and have an obligation to pay these damage claims or we have not. It seems to me that there is no logical reason or justice in providing that no claim over \$500 may be paid unless until the Philippine government enters into the trade agreement provided for in the Trade Agreements Act.

I consider it to be very unfortunate that such a situation should confront us; but, on the other hand, I recognize that if we were to oppose this report and were successful in our opposition it would delay the payment of claims of those who perhaps may be in most dire straits and need the money more than others who are better situated. I wish, however, emphatically to place in the RECORD my strenuous objection to putting this pistol, so to speak, to the head of the people of the Philippine Islands, when I do not think it is necessary, but is entirely uncalled for, and I want to make my individual apologies to them for having found myself in this legislative predicament.

Mr. TYDINGS. Mr. President, I share completely the sentiments of the Senator from Wisconsin. I should like to make the additional point that as I understand, the House would not pass the Philippine rehabilitation bill, which went over there on the 3d of December, until the Senate acted on the trade bill. All the way through I think the House has been overly concerned about the fairness of the Senate's attitude on these matters. If it would not occasion additional delay, we would not be here with this report; but the House is in recess, and I think more good will come from this procedure than if we follow a different course at the expense of the Filipinos who need relief.

Mr. AUSTIN. Mr. President, I did not sign the report until a few minutes ago. I consented to the report with the definite understanding that the pistol was not effective and did not have anything to do with the matter, because the Philippine government was eager to have the agreement signed and the confer-

ence report signed. So the element of coercion was unnecessary, superfluous, and unfortunate. If we were not in the situation that the exigencies of the Philippine government are very great, I would feel that we ought not to accept the conference report with this element of coercion in it, but, under the circumstances, I shall act consistently with my signature of this morning.

Mr. TYDINGS. I move the adoption of the conference report.

The PRESIDING OFFICER (Mr. Gossett in the chair). The question is on agreeing to the conference report.

The report was agreed to.

#### WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATIONS—CONFERENCE REPORT

Mr. THOMAS of Oklahoma. Mr. President, I send to the desk the conference report on the War Department civil functions bill, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5400) making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 4½.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$110,125,250"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$144,065,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$750,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment, strike out the word "equal" and insert in lieu thereof the word "comparable"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, and 7.

ELMER THOMAS,  
CARL HAYDEN,  
JOHN H. OVERTON,  
ELBERT D. THOMAS,  
CHAN GURNEY,  
C. WAYLAND BROOKS,  
CLYDE M. REED,

*Managers on the Part of the Senate.*

JOHN H. KERR,  
GEORGE MAHON,  
W. F. NORRELL,  
JOE HENDRICKS,  
MICHAEL J. KIRWAN,  
FRANCIS CASE,  
HARVE TIBBOTT,

*Managers on the Part of the House.*



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[PUBLIC LAW 370—79TH CONGRESS]

[CHAPTER 243—2D SESSION]

[S. 1610]

AN ACT

For the rehabilitation of the Philippines.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Philippine Rehabilitation Act of 1946".

## TITLE I—COMPENSATION FOR WAR DAMAGE

SEC. 101. (a) There is hereby established a Philippine War Damage Commission (in this title referred to as the "Commission"). The Commission shall consist of three members, to be appointed by the President of the United States, by and with the advice and consent of the Senate. One of the members of the Commission shall be a Filipino. The members of the Commission shall receive compensation at the rate of \$12,000 a year. The terms of office of the members of the Commission shall expire at the time fixed in subsection (d) for winding up the affairs of the Commission. A vacancy in the membership of the Commission shall not impair the authority of the remaining two members of the Commission to exercise all of its functions. Vacancies occurring in the membership of the Commission shall be filled in the same manner as in the case of the original selection. Members of the Commission shall receive their necessary traveling and other expenses incurred in connection with their duties as such members, or a per diem allowance in lieu thereof, to be fixed by the Commission without regard to the limitation prescribed in any existing law.

(b) The Commission may, without regard to the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation and allowances of such officers, attorneys, and employees, and may make such expenditures, as may be necessary to carry out its functions. Officers and employees of any other department or agency of the Government may, with the consent of the head of such department or agency, be assigned to assist the Commission in carrying out its functions. The Commission may, with the consent of the head of any other department or agency of the Government, utilize the facilities and services of such department or agency in carrying out the functions of the Commission.

(c) The Commission may prescribe such rules and regulations as are necessary for carrying out its functions, and may delegate functions to any member, officer, or employee of the Commission or of any other department or agency of the United States or of the Commonwealth of the Philippines and shall give public notice of the time when, and the limit of the time within which, claims may be filed, which notice shall be given in such manner as the Commission shall prescribe.

(d) The Commission shall, so far as practicable, give consideration to, but need not await, or be bound by, the recommendations



of the Filipino Rehabilitation Commission (created by the Act approved June 29, 1944) with respect to Philippine war damage. The Commission shall wind up its affairs not later than two years after the expiration of the time for filing claims under this title if possible, but, in no event later than five years from the enactment of this Act.

SEC. 102. (a) The Commission is hereby authorized to make compensation to the extent hereinafter provided on account of physical loss or destruction of or damage to property in the Philippines occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of one or more of the following perils: (1) Enemy attack; (2) action taken by or at the request of the military, naval, or air forces of the United States to prevent such property from coming into the possession of the enemy; (3) action taken by enemy representatives, civil or military, or by the representatives of any government cooperating with the enemy; (4) action by the armed forces of the United States or other forces cooperating with the armed forces of the United States in opposing, resisting or expelling the enemy from the Philippines; (5) looting, pillage, or other lawlessness or disorder accompanying the collapse of civil authority determined by the Commission to have resulted from any of the other perils enumerated in this section or from control by enemy forces: *Provided*, That such compensation shall be payable only to qualified persons having, on December 7, 1941 (Philippine time), and continuously to and including the time of loss or damage, an insurable interest as owner, mortgagee, lien holder, or pledgee in such property so lost or damaged: *Provided further*, That any qualified person who acquired any deceased person's interest in any property either (1) as heir, devisee, legatee, or distributee, or (2) as executor or administrator of the estate of any such deceased person for the benefit of one or more heirs, devisees, legatees, or distributees, all of whom are qualified persons, shall be deemed to have had the same interest in such property during such deceased person's lifetime that such deceased person had: *Provided further*, That no claim shall be approved in an aggregate amount which exceeds whichever of the following amounts, as determined by the Commission, is less: (a) The actual cash value, at the time of loss, of property lost or destroyed and the amount of the actual damage to other property of the claimant which was damaged as a direct result of the causes enumerated in this section; (b) the cost of repairing or rebuilding such lost or damaged property, or replacing the same with other property of like or similar quality: *Provided further*, That in case the aggregate amount of the claims which would be payable to any one claimant under the foregoing provisions exceeds \$500, the aggregate amount of the claims approved in favor of such claimant shall be reduced by 25 per centum of the excess over \$500.

(b) When used in this section, the term "qualified person" means—

(1) any individual, who on December 7, 1941 (Philippine time), and continuously to the time of filing claim pursuant to this title, was a citizen of the United States or of the Commonwealth of the Philippines or of the Republic of the Philippines or who, being a citizen of a nation not an enemy of the United States, which nation grants reciprocal war damage payments to

American citizens resident in such countries was for five years prior to December 7, 1941, a resident of the Philippines;

(2) any individual, who at any time subsequent to September 16, 1940, and prior to August 14, 1945, served honorably in the armed forces of the United States or of the Commonwealth of the Philippines, or honorably performed "service in the merchant marine" (as defined in the first section of the Act entitled "An Act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes", approved June 23, 1943);

(3) any church or other religious organization; and

(4) any unincorporated association, trust, or corporation (or, upon dissolution, its successor) organized pursuant to the laws of any of the several States or of the United States or of any Territory or possession thereof (including any other unincorporated association, trust, corporation or sociedad anonima organized pursuant to the laws in effect in the Philippines at the time of its organization), but excluding any corporation wholly owned by the Commonwealth of the Philippines (or the Republic of the Philippines).

SEC. 103. The Commission shall make no payment under the provisions of this title—

(a) to any enemy alien;

(b) to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy, or of any act involving disloyalty to the United States or the Commonwealth of the Philippines;

(c) to any unincorporated association, trust, corporation or sociedad anonima owned or controlled by any of the persons specified in clauses (a) and (b) of this section;

(d) to compensate for any loss of or damage to property which, at the time of loss or damage, was insured against any one or more of the perils specified in section 102 hereof, except to the extent that the loss or damage exceeds the amount of such insurance, whether or not collectible;

(e) to compensate for any loss or damage—

(1) for which the War Department or the Navy Department is authorized to make payment, or

(2) for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid, by the Government of the Commonwealth of the Philippines (Republic of the Philippines), or by the United States Government or by their respective departments, establishments, or agencies,

unless the War Department, Navy Department, respective department, establishment, or agency concerned has declined to pay compensation or indemnity for such loss or damage;

(f) unless the claimant shall file with the Commission, within twelve months after the date on which public notice is given as prescribed in section 101 (c) of this title, a claim in reasonable conformity with the requirements of this title and such reasonable regulations as shall be established by the Commission.

SEC. 104. (a) No claim shall be paid unless approved by the Commission or its authorized representatives, and on account of each claim so approved the Commission may make immediate payment of (1) so much of the approved amount of the claim as does not exceed five hundred dollars or one thousand Philippine pesos, plus (2) such percentage, not in excess of 80 per centum of the remainder of the approved amount of the claim as the Commission shall make applicable to all approved claims, due consideration having been given to the total funds available for distribution. After the time for filing claims has expired, the Commission shall determine the amount of money available for the further payment of claims. Such funds shall be applied pro rata toward the payment of the unpaid balances of the amounts authorized to be paid pursuant to section 102 of this title.

(b) The Commission may, at its option, make payment, in whole or in part, of the amount payable in the case of any claim authorized to be paid under this title by replacing lost, damaged, or destroyed property with other property of like or similar kind. The amount expended for such purpose in any case, including the fair value of property transferred to the claimant, shall be deemed to have been paid to the claimant on account of his claim, and such amount shall in no case exceed the amount authorized to be paid under this title on account of such claim. The Commission is authorized to acquire such property, to have such work done, to make such contracts, and to take such other action as may be necessary for the purposes of this subsection. To accomplish the purposes of this section such surplus property of the United States, wherever located, as the President of the United States by Executive order shall direct, shall be transferred to the Commission. The Commission shall pay to the disposal agency the fair value of the property as agreed to by the Commission and the disposal agency.

(c) All of the provisions of this title shall be subject to the requirement that, to the fullest extent practicable, the Commission shall require that the lost or damaged property be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this title.

SEC. 105. Not later than six months after its organization, and every six months thereafter, the Commission shall make a report to the Congress concerning operations under this title: *Provided*, That if the Commission determines it is impossible for any reason beyond the control of the claimant, or is impractical to rebuild, replace, or repair the lost or damaged property, the Commission may make payment to the claimant without making said requirement: *Provided, however*, That, as a condition to the making of such payment, the Commission shall require that the whole of such payment shall be reinvested in such manner as will further the rehabilitation or economic development of the Philippines: *And provided further*, That nothing in this subsection shall preclude the partial payment of claims as the rebuilding, replacing, or repairing of the property progresses.

SEC. 106. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amount of \$400,000,000 for the purposes of paying compensation to the extent



authorized by this title, and of such sum, not to exceed \$4,000,000 shall be available to pay the expenses of the Commission.

(b) Any money or bullion received by the United States from the Japanese Government or the Japanese people by way of reparations or indemnity on account of war losses in the Philippines—

(1) shall be covered into the Treasury of the United States until the value of said money or bullion so covered into the Treasury is equal to the sum of the amounts appropriated for the payment of compensation under this title and the amounts appropriated for carrying out the purposes of title III of this Act;

(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, the excess over the amounts so appropriated shall be used, first, to satisfy in full the balance unpaid of any approved claims under this title; second, toward the payment of any amount by which any claim was reduced under Section 102 (a) hereof; third, toward the satisfaction of any approved claim of the Government of the Commonwealth of the Philippines (or the Republic of the Philippines), its provinces, cities, municipalities, and instrumentalities, not compensated under this Act; and

(3) the balance shall be covered into the Treasury of the United States.

(c) Notwithstanding any other provision of law, any other property received by the United States from the Japanese Government or the Japanese people, whether by way of reparations or restitution on account of war losses in the Philippines, may be transferred, by Executive order of the President of the United States, to the Commission, to be applied in kind, under such regulations as may be adopted by it, to the payment of losses or damages covered by this Act, or in such other manner as the Commission may determine to be necessary to carry out the purposes and policy of this Act.

(d) Nothing in this Act shall prejudice the right of any claimant not covered by this Act to recover damages from the Japanese Government or the Japanese people, by way of reparations or indemnity on account of the war, for losses not, or not fully, compensated for hereunder.

SEC. 107. Whoever, in the Philippines or elsewhere, makes any statement or representation knowing it to be false, or whoever willfully and fraudulently overvalues loss of or damage to property for the purpose of obtaining for himself or for any claimant any compensation pursuant to this title, or for the purpose of influencing in any way the action of the Commission with respect to any claim for compensation pursuant to this title, or for the purpose of obtaining money, property, or anything of value under this title, shall, upon conviction, be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both, and shall not receive any payments or other benefits under this title and, if any payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same.

SEC. 108. No remuneration on account of services rendered or to be rendered to or on behalf of any claimant in connection with any claim for compensation pursuant to this title shall exceed 5 per

centum of the compensation paid by the Commission on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the Philippines, or elsewhere, pays or offers to pay, or promises to pay, or receives, on account of services rendered or to be rendered in connection with any claim for compensation hereunder, any remuneration in excess of the maximum permitted by this section, shall be deemed guilty of a misdemeanor and, upon conviction thereof shall be fined not more than \$5,000, or imprisoned for not more than twelve months or both, and, if any such payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same, and, in addition thereto, any such claimant shall forfeit all rights under this title.

SEC. 109. Except as lawfully provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation pursuant to subsection (a) of section 5g of the Reconstruction Finance Corporation Act, as amended, the authority herein granted to the Philippine War Damage Commission shall be in lieu of and shall supersede all authority previously conferred on the War Damage Corporation to furnish protection or pay compensation with respect to property situated, at the time of loss or damage, in the Philippines, and the protection authorized to be extended and the compensation authorized to be paid by the Philippine War Damage Commission shall be in lieu of all protection heretofore extended or authorized to be extended by the War Damage Corporation with respect to property situated, at the time of loss or damage, in the Philippines, except to the extent provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation. The War Damage Corporation is hereby prohibited from providing for or paying compensation for war damage in the Philippines except to the extent provided in its policies of insurance heretofore or hereafter issued in consideration of a premium paid therefor.

SEC. 110. The classes of property enumerated in this section, whether situated in the Philippines or elsewhere, are hereby excluded from protection, compensation, or consideration under this title, and the Commission shall not make any payment, directly or indirectly, on account of loss of or damage to such classes of property:

(1) Accounts, bills, records, films, plans, drawings, formulas, currency, deeds, evidences of debt, securities, money, bullion, furs, jewelry, stamps, precious and semiprecious stones, works of art, antiques, stamp and coin collections, manuscripts, books and printed publications more than fifty years old, models, curiosities, objects of historical or scientific interest, and pleasure watercraft and pleasure aircraft: *Provided, however,* That such protection, compensation, or consideration shall extend to such of the foregoing items as may have constituted inventories, supplies or equipment for carrying on a trade or business within the Philippines;

(2) Vessels and watercraft, their cargoes and equipment, except (a) vessels used or intended to be used exclusively for storage, housing, manufacturing, or generating power, (b) vessels while under construction until delivery by the builder, or sailing on delivery or trial trip, whichever shall first occur, (c) watercraft and commercial vessels of Philippine registry and watercraft of Philippine or Amer-

ican ownership, in harbors and territorial and inland waters of the Philippines, and (d) cargoes and equipment on vessels and watercraft described in (a), (b) and (c) above; except as modified by and subject to clauses (1) and (5) of this section;

(3) Intangible property;

(4) Property diverted to the Philippine Islands, by authority of the United States Government or otherwise, as a result of war conditions; and

(5) Property in transit (a) which at the time of loss or damage was insured against war perils, or (b) with respect to which insurance against such perils was available, at the time of loss or damage either at reasonable commercial rates or from the United States Maritime Commission.

SEC. 111. All departments, commissions, offices, agencies, and instrumentalities of the United States Government, upon the written request of the Commission, are authorized to make delivery and conveyance to designated claimants, or to the Commission, of any surplus property of the United States in the Philippines deemed by the Commission to be similar to that for which compensation is requested, or to be suitable for the rebuilding or repair of the property damaged or destroyed. The transfer of such property to such claimants shall be at the fair value of the property as agreed by the Commission and the disposal agency. The Commission shall pay such fair value to the disposal agency.

SEC. 112. The War Damage Corporation is authorized and directed to consult with, and in every manner possible to assist and cooperate with, the Commission, to aid the Commission in its performance of duties hereunder, and to make available to or deliver to the Commission all records, claims, files, and other documents in its possession pertaining to Philippine claims. The Commission is authorized to give such weight as it may deem proper to any reports, certificates, or recommendations of the War Damage Corporation, or its adjusters or claims service offices.

SEC. 113. The Commission shall notify all claimants of the approval or denial of their claims, and, if approved, shall notify such claimants of the amount for which such claims are approved. Any claimant whose claim is denied, or is approved for less than the full allowable amount of said claim, shall be entitled, under such regulations as the Commission may prescribe, to a hearing before the Commission or its representatives with respect to such claim. Upon such hearing, the Commission may affirm, modify, or reverse its former action with respect to such claim, including a denial or reduction in the amount of a claim theretofore approved. All findings of the Commission concerning the amount of loss or damage sustained, the cause of such loss or damage, the persons to whom compensation pursuant to this title is payable, and the value of the property lost or damaged, shall be conclusive and shall not be reviewable by any court.

## TITLE II—DISPOSAL OF SURPLUS PROPERTY

SEC. 201. In order to expedite the disposition of surplus property of the United States in the Philippines and to aid in repairing and replacing buildings (including hospitals, educational, and charitable institutions furnishing essential health, educational, and welfare



services), works, utilities, equipment, or other property, owned by the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, or other governmental units in the Philippines, in cases where such government-owned buildings, works, utilities, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise to aid in facilitating the normal operations of existing governmental units in the Philippines, the Department of State, the disposal agency for the Philippines designated under the Surplus Property Act of 1944, acting through the Foreign Liquidation Commissioner (hereinafter referred to as the "Commissioner"), is hereby authorized to transfer to the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, without reimbursement, property of the United States now or hereafter located in the Philippines and declared surplus under the Surplus Property Act of 1944, upon such terms and conditions, including the use or disposition of such property by the Commonwealth of the Philippines, as the Commissioner may deem appropriate to carry out the purposes of this title.

SEC. 202. At the time any such property is so transferred to the Commonwealth of the Philippines (Republic of the Philippines), the Commissioner shall make a record of (1) the items transferred, (2) the condition of such items, and (3) his estimate of the fair value of such items. The Commissioner shall make quarterly reports to the President and the Congress concerning the administration of this title.

SEC. 203. Surplus property now or hereafter located in the Philippines shall be disposed of only in accordance with the provisions of this Act and the Surplus Property Act of 1944 as heretofore or hereafter amended. Such disposals shall not be subject to the provisions of any law inconsistent herewith. The Commission shall, so far as practicable, dispose of surplus property in the Philippines in such a manner and in such quantities, within the provisions of the Surplus Property Act, as will prevent unnecessary distribution costs and excessive profits.

SEC. 204. No military weapons, munitions, or toxic gas shall be transferred or otherwise disposed of under section 201.

SEC. 205. The fair value of the property transferred to the Commonwealth of the Philippines (Republic of the Philippines) provincial governments, chartered cities or municipalities under section 201, as estimated by the Commissioner, shall not exceed \$100,000,000 in the aggregate.

SEC. 206. The Commissioner may prescribe such rules and regulations as may be necessary for the performance of his functions under this title, and may delegate and authorize successive redelegations of any authority conferred upon him by this title to any officer or employee of his agency or of any other department or agency of the United States or of the Commonwealth of the Philippines (Republic of the Philippines).

### TITLE III—RESTORATION AND IMPROVEMENT OF PUBLIC PROPERTY AND ESSENTIAL PUBLIC SERVICES

SEC. 301. As a manifestation of good will to the Filipino people, there are hereby authorized to be appropriated, out of any money

in the Treasury not otherwise appropriated, (1) the sum of \$120,000,000, to be allocated from time to time, but not later than the fiscal year 1950, by the President of the United States among the various programs set forth in sections 302, 303, 304, and 305, and (2) such additional sums as may be necessary to carry out the purposes of sections 306 to 311, inclusive.

#### PUBLIC ROADS

SEC. 302. (a) As recommended in a report based upon an investigation made in the Philippines by the Public Roads Administration of the Federal Works Agency and to the extent that the findings in such report are approved by the President, the Public Roads Administration is authorized, after consultation with the Philippine Government, to plan, design, restore, and build, in accordance with its usual contract procedures, such roads, essential streets, and bridges as may be necessary from the standpoint of the national defense and economic rehabilitation and development of the Philippines.

(b) The Commissioner of Public Roads is authorized, under such regulations as he may adopt, to provide training for not to exceed ten Filipino engineers, to be designated by the President of the Philippines from the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, maintenance, and highway traffic engineering and control necessary for the continued maintenance and for the efficient and safe operation of highway transport facilities.

#### PORT AND HARBOR FACILITIES

SEC. 303. (a) As recommended in a report based upon an investigation made in the Philippines by the Corps of Engineers of the United States Army and to the extent that the findings in such report are approved by the President, the Corps of Engineers is authorized, after consultation with the Philippine Government, to carry out a program for the rehabilitation, improvement, and construction of port and harbor facilities in the Philippines, such work to be done by contract, insofar as practicable, under the direction of the Secretary of War and the supervision of the Chief of Engineers, and in accordance with established procedures applicable to river and harbor projects.

(b) The Chief of Engineers of the Army is authorized, under such regulations as he may adopt, to provide training for not to exceed ten Filipino engineers, to be designated by the President of the Philippines from among the engineer officers of the Philippine Army and the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, improvement, and maintenance of port facilities and other works of improvements on rivers and harbors.

#### PUBLIC PROPERTY

SEC. 304. The Philippine War Damage Commission, within the limits of the appropriations allocated to it for carrying out the provisions of this section, is authorized to compensate the Common-

wealth of the Philippines (or the Republic of the Philippines), the provincial governments, chartered cities, municipalities, and corporations wholly owned by the Commonwealth of the Philippines (or the Republic of the Philippines), in the Philippines, for physical loss of or damage to public property in the Philippines occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of the perils listed in section 102 (a) hereof, in any case in which compensation for such losses or the rebuilding, repair, or replacement of the lost or damaged property is not provided for by the transfer of surplus property under section 201 hereof, or provided for under the provisions of this title other than this section or otherwise provided for by the United States Government or any department or agency thereof. To the fullest extent practicable, the Commission shall require that any lost or damaged property for which it decides to award compensation under this section shall be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this section. The Commission in its discretion may request the Federal Works Agency or the Corps of Engineers of the United States Army to undertake, after consultation with the Philippine Government, the rebuilding, repair, or replacement of property for which the Commission awards compensation under this section, and, from the funds available for carrying out the provisions of this section, may transfer to such Agency or Corps of Engineers the funds necessary to pay for the work requested. The Federal Works Agency and the Corps of Engineers are authorized to rebuild, repair, or replace property in accordance with any such request of the Commission and to expend the funds so transferred to them for such purpose. The Commission shall have full power to select, and fix the priority of, cases in which compensation will be awarded or property rebuilt, repaired, or replaced under this section, and to determine the amount of such compensation and the extent to which such property will be rebuilt, repaired, or replaced, taking into account the relative importance of various projects to the reconstruction and rehabilitation of the economy of the Philippines and such other factors as the Commission deems relevant.

#### PUBLIC HEALTH

SEC. 305. (a) The Public Health Service of the Federal Security Agency is authorized to cooperate with the Government of the Philippines (Republic of the Philippines), and with other appropriate agencies or organizations, in the rehabilitation and development of public health services and facilities throughout the Philippines.

(b) To accomplish such purposes the Public Health Service shall at the earliest practicable time survey the health situation in the Philippines, and is authorized to replace, expand, or install such health services and facilities in the Philippines as are deemed essential to preservation of health, and may assist in the rehabilitation and development of a Philippine quarantine service for prevention of introduction of disease from abroad or from one island to another. The Public Health Service may set up demonstrations and establish training centers in the Philippines; may establish and maintain in the Philippines a school or schools for the purpose of providing



practical instruction in public health; and may, at any time prior to January 1, 1948, provide one year of training in appropriate schools or colleges in the United States to not more than one hundred Filipinos, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in public health methods and administration. It may replace equipment and supply reasonably necessary additional equipment, utilizing for this purpose, so far as possible, surplus property, and may recommend to the Commission the repair or construction under the provisions of section 304, at any time prior to July 1, 1950, of buildings deemed essential to the rehabilitation of public health and quarantine functions.

#### INTER-ISLAND COMMERCE

SEC. 306. (a) In order to restore and improve inter-island commerce in the Philippines, notwithstanding the provisions of any existing law, the United States Maritime Commission is authorized to charter under such terms and conditions (including nominal rates of charter hire) vessels suitable for operation in the inter-island commerce of the Philippines to individuals, corporations, or cooperatives or other forms of business organizations in the Philippines if the Commission determines that they possess the ability, experience, financial resources, and other qualifications, necessary to enable them to operate and maintain the vessel in the inter-island commerce in the Philippines: *Provided*, That any charter entered into under the authority of this section shall contain a provision requiring that the vessel shall be operated only in the inter-island commerce in the Philippines.

(b) The Chairman, United States Maritime Commission, is hereby authorized to permit not exceeding fifty Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines subject to the provisions of section 311 (c), to receive instruction in the United States Merchant Marine Cadet Corps and at a United States Merchant Marine Academy. The persons receiving instruction under authority of this section shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the Chairman, United States Maritime Commission, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadet midshipmen at the Merchant Marine Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States merchant marine by reason of their graduation from the Merchant Marine Academy.

#### INTER-ISLAND AIR NAVIGATION

SEC. 307. (a) The Administrator of Civil Aeronautics of the Department of Commerce is authorized to acquire, establish, operate, and to maintain a system of air-navigation facilities and associated airways communications services in the Philippines for inter-island airways operation and to connect the Philippine airways with international and interoceanic routes.

(b) The Administrator of Civil Aeronautics is authorized, under such regulations as he may adopt, to train not exceeding fifty Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in air-traffic control, aircraft communications, maintenance of air-navigation facilities, and such other airman functions as are deemed necessary for the maintenance and operation of aids to air navigation and other services essential to the orderly and safe operation of air traffic.

#### WEATHER INFORMATION

SEC. 308. (a) The Chief of the Weather Bureau of the Department of Commerce is authorized to establish meteorological facilities in the Philippines as may be required to provide weather information, warnings, and forecasts for general agricultural and commercial activities, including meteorological service for the air routes on which air-navigation facilities are operated by the Civil Aeronautics Administration, and to maintain such meteorological offices until the Philippine Weather Bureau is reestablished and in position to assume responsibility for the service.

(b) The Chief of the Weather Bureau of the Department of Commerce is authorized, under such regulations as he may adopt, to train not to exceed fifty Filipinos in the first year and not to exceed twenty-five Filipinos in each succeeding year prior to July 1, 1950, the trainees to be designated by the President of the Philippines subject to the provisions of section 311 (c), and the training to include meteorological observations, analyses, forecasting, briefing of pilots, and such other meteorological duties as are deemed necessary in maintenance of general weather service, including weather information required for air navigation and the safe operation of air traffic. The training of these employees shall be in addition to and not in lieu of Weather Bureau employees to be trained under current Weather Bureau appropriations.

#### PHILIPPINE FISHERIES

SEC. 309. (a) The Fish and Wildlife Service of the Department of the Interior is authorized to cooperate with the Government of the Philippines, and with other appropriate agencies or organizations, in the rehabilitation and development of the fishing industry, and in the investigation and conservation of the fishery resources of the Philippines and adjacent waters.

(b) To accomplish such purposes the Fish and Wildlife Service shall conduct oceanographic, biological, fish cultural, technological, engineering, statistical, economic, and market development studies and demonstrations and fishery explorations, and in conjunction therewith may establish and maintain a vocational school or schools of fisheries in the Philippines for the purpose of providing practical instruction and training in the fisheries; and may, at any time prior to July 1, 1950, provide one year of training to not more than one hundred and twenty-five Filipinos, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in methods of deep-sea fishing and in other techniques necessary to the development of fisheries.

(c) The Fish and Wildlife Service is authorized to acquire, construct, maintain, equip, and operate such research and experimental stations, schools, research and exploratory fishing vessels, or any other facilities in the Philippines that may be necessary to carry out the purposes of this section.

(d) The United States Maritime Commission is authorized, upon recommendation of the Fish and Wildlife Service of the Department of the Interior, to make arrangements for the transfer by sale or charter of small vessels, considered by the United States Maritime Commission to be satisfactory for the purpose, to be used in the establishment and continuance of a fishing industry to be operated in or near the Philippines. Such transfers may be made on such terms and conditions, including transfer for a nominal consideration, as the United States Maritime Commission may approve, but only if, in the opinion of the Fish and Wildlife Service, such small vessels so to be used for Philippine Island fishing are not needed by the fishing industry of the United States, its Territories, and possessions.

#### COAST AND GEODETIC SURVEYS

SEC. 310. The Coast and Geodetic Survey of the Department of Commerce is authorized to continue, until June 30, 1950, the survey work which was being conducted by it in the Philippines prior to December 7, 1941. The Director of the Coast and Geodetic Survey is authorized to train not exceeding twenty Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in order that they may become qualified to take over and continue such survey work on and after July 1, 1950, and to pay all expenses incident to their temporary employment and training.

#### GENERAL PROVISIONS

SEC. 311. (a) The Government of the Philippines shall provide all lands, easements, and rights-of-way necessary for the execution of the projects herein authorized.

(b) The several bureaus and agencies of the Government authorized by this title to undertake projects in the Philippines are hereby authorized, in the prosecution of such projects, to cooperate with the Government of the Philippines, and to accept contributions of labor, materials, and money from such government and its political subdivisions and to utilize such labor, materials, and money in the prosecution of such projects.

(c) Wherever in this title the training of Filipinos at the expense of the United States Government is authorized, the head of the bureau or agency under whose supervision or control the training is given may establish minimum requirements as to education and experience, provide for competitive examinations, or establish such other standards for qualification for such training as in his judgment may seem necessary and advisable, and under such regulations as may be adopted from time to time may provide for the payment of all expenses incidental to such training, including, but not limited to, actual transportation expenses to and from and in the United States, allowances for tuition, educational fees, and subsistence.



(d) Any Filipino who is designated for training or instruction as provided in this Act may be admitted to the United States for such training or instruction upon certification to the Immigration and Naturalization Service by the head of the bureau or agency under whose supervision the training or instruction is to be given that such entry is necessary in connection with the training or instruction, notwithstanding the provisions of section 8 of the Act of March 24, 1934 (48 Stat. 462; 48 U. S. C. 1238), and notwithstanding any provision of the laws of the United States relating to the immigration, exclusion, or expulsion, except registration and fingerprinting as provided in the Alien Registration Act of 1940 (8 U. S. C. 451, and the following): *Provided*, That such admissions shall be deemed pursuant to section 3 (2) of the Immigration Act of 1924 (43 Stat. 154; 47 Stat. 607; 54 Stat. 711; 8 U. S. C. 203): *Provided further*, That the privilege of entering or remaining in the United States for such purposes shall end within a reasonable time, to be fixed by regulation of the Commissioner of Immigration and Naturalization with the approval of the Attorney General, after termination of the training or instruction: *Provided further*, That the head of the bureau or agency concerned may at any time terminate the training or instruction of any person under this Act if in his judgment the best interests of either the United States or the Philippines makes such action advisable, and his decision shall be final and conclusive: *Provided further*, That any such Filipino who shall fail to depart from the United States within the reasonable time fixed by regulation, as herein prescribed, shall be subject to being taken into custody and deported, as provided by section 14 of the Immigration Act of 1924 (43 Stat. 162; 8 U. S. C. 214).

(e) Unless otherwise provided by law this title, except the last proviso to subsection (d) of this section, shall expire on June 30, 1950.

#### TITLE IV—THE UNITED STATES HIGH COMMISSIONER

SEC. 401. Until the Philippines attain their independence, the functions, powers, and duties exercised in the Philippines by any officer, employee, department, or agency of the United States in carrying out the provisions of this Act shall be exercised under the general supervision of the United States High Commissioner to the Philippines, and the officers, employees, offices, missions, and other agencies exercising such functions, powers, and duties shall be deemed to be attached to the office of the High Commissioner.

SEC. 402. On and after the date upon which the Philippines attain their independence the power, authority, duties, and functions authorized under this Act to be exercised by the High Commissioner to the Philippines shall vest in and be exercised by such representative or representatives of the United States as shall be appointed for that purpose by the President of the United States.

#### TITLE V—RESTORATION AND IMPROVEMENT OF THE PROPERTY OF THE UNITED STATES

SEC. 501. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of

\$5,000,000 for the restoration, repair of damage to and improvement of lands and buildings referred to in paragraph (3) of subsection (c) of section 3 of Public Law Numbered 300, Seventy-sixth Congress, first session (53 Stat. 1226), and for the acquisition or construction of additional buildings to house the civil agencies, including the diplomatic and consular establishments of the United States operating in the Philippine Islands.

## TITLE VI—GENERAL PROVISIONS

SEC. 601. No payments under title I of this Act in excess of \$500 shall be made until an executive agreement shall have been entered into between the President of the United States and the President of the Philippines, and such agreement shall have become effective according to its terms, providing for trade relations between the United States and the Philippines, and which agreement shall also provide for the same offenses, and penalties upon conviction, thereof, as are set forth in section 107 and section 108 of title I of this Act.

SEC. 602. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Approved April 30, 1946.







